

*Private Members' Business*

He has spoken already. That being the case, the hon. member for Winnipeg North on a point of order.

**Mr. Kevin Lamoureux:** Mr. Speaker, on a point of order, I think maybe if you attempt to recanvass the House, you might find the will to see the clock at 5:30 p.m. so that we can get into the private members' hour, possibly.

**The Acting Speaker (Mr. Bruce Stanton):** Order, order. We are losing control here, or at least I am. We can only deal with one point of order at a time. We have had another member suggest that if we sought it, we might have the unanimous consent of the House to see the clock at 5:30 p.m.

Do we have the unanimous consent of the House to see the clock at 5:30 p.m.?

**Some hon. members:** Agreed.

**The Acting Speaker (Mr. Bruce Stanton):** The House will now proceed to the consideration of private members' business as listed on today's order paper.

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## PRIVATE MEMBERS' BUSINESS

[English]

### INCOME TAX ACT

The House resumed from October 31, 2013, consideration of the motion that Bill C-201, an Act to amend the Income Tax Act (travel and accommodation deduction for tradespersons), be read the second time and referred to a committee.

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, it is a pleasure to rise today to speak to Bill C-201, which would provide skilled trades workers with a tax deduction for certain work-related travel and accommodations.

I will be supporting this bill at second reading, so that it can move forward and be examined more thoroughly by the House of Commons finance committee.

Bill C-201 would help skilled tradespeople with the costs of travelling to work. It might help address some of the regional skill shortages that exist in Canada. This is an important issue, with a thriving construction industry being a vital source of good, well-paying, middle-class jobs. It is important that we do what we can to support these workers and their families.

Large parts of the construction industry are involved in short- to medium-term projects, and skilled tradespeople are often required to travel or temporarily relocate for work. In my part of the country and throughout Atlantic Canada we have a lot of workers and tradespeople who travel to other parts of the country to work for periods of time and then return to their families and make money in the meantime, which helps pay their mortgage, their family costs, and expenses in their homes in places like Hants County and Kings County of Nova Scotia. However, among construction workers, the cost of relocating is cited as a significant impediment to labour mobility. Not only would this bill provide tradespeople with some relief from the costs of relocating for work, but it would also provide them with a financial benefit that they or members of their family

could spend in their home community, which would help support their local economies at home, such as in places like Kings—Hants.

By helping skilled tradespeople with the costs of travelling to work, Bill C-201 could also help address these regional skill shortages and potentially help to increase Canada's productivity. However, there are some important questions surrounding this bill that have yet to be answered, especially regarding the costs. I would hope the finance committee will be able to study the costs of implementing this kind of measure, once the bill has passed at second reading. It is important for parliamentarians to know how much legislation will actually cost before we make final decisions. As parliamentarians, we have a fiduciary responsibility to our citizens and Canadian taxpayers to fully understand the impacts on the fiscal framework in Canada of our decisions and the legislation we pass.

In the first hour of debate on the bill, the member for Hamilton Mountain estimated that approximately 160,000 construction workers in Canada could benefit from the tax credit in Bill C-201 at a cost of \$84 million per year to the federal treasury. Then she estimated that when we consider economic spinoffs and potentially reduced EI payouts, the government could actually save \$167 million per year under Bill C-201. On the other hand, the parliamentary secretary to the revenue minister argued that Bill C-201 would cost the treasury approximately \$60 million per year at maturity. Therefore, there is a wide disparity in the numbers being cited in terms of what this would cost or potentially save taxpayers.

In cases where private member's bills are expected to have significant costs or impact on the fiscal framework, the finance committee in the past has asked the PBO to calculate what that fiscal impact would be before a second reading vote. However, the PBO has not been able to estimate the fiscal impact of this particular bill. The PBO told my office that it had tried to estimate the costs of this bill but could not. This is why. It stated:

There was not sufficient detail in the bill around the definition of trades persons nor around the details of what constituted travel for the purposes of commuting or for the purposes of relocating, nor was there sufficient data from stats can to allow any meaningful costing of this bill.

Therefore, it appears that Bill C-201 is still lacking details that are essential to providing a meaningful cost estimate, and the PBO has said that its office is having difficulty costing it because of that lack of granularity.

● (1730)

Still that is no reason, necessarily, to throw out the baby with the bathwater on this one, because there still may be some positives in the intentions to provide some level of support to skilled tradespeople and their families, and an opportunity for us to do this. We at the finance committee, perhaps, can pass some clarifying amendments that can help address some of these concerns, can better define "skilled tradespeople" exactly in terms of how we would constitute it for this application, and also more clearly define "relocation" or "commuting expense" so we can actually cost the bill and the PBO can actually cost it.

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Another area where we have some questions is around the distance a worker must travel to qualify for a tax deduction. Bill C-201 proposes that a skilled tradesperson would qualify for this tax deduction if the worker travels at least 80 kilometres for work. The threshold of 80 kilometres may result in a large proportion of the benefit potentially going to daily commuters in the Toronto area or other metropolitan areas, workers for whom this credit is not necessarily intended.

For instance, workers who commute between Barrie and Toronto travel 96 kilometres each way, and those who commute between Guelph and Toronto would travel 95 kilometres each way. We would want to have this discussion. Is that the intention of this bill? Perhaps it is, but I am saying that there may be some definitions of what defines appropriately a commute for financial benefit considered under this bill. These are areas where there are good roads, infrastructure, strong or reasonable public transit, which help to facilitate a daily commute more so than that which would exist in other areas of Canada that do not have the same highly evolved infrastructure. Therefore, the finance committee may want to consider establishing different thresholds, depending on geography and infrastructure, instead of having one across-the-board threshold when it comes to how far people must travel to qualify for this benefit.

We may want to look at examples from other jurisdictions. As I mentioned before, a thriving construction industry in Canada is an important source of good jobs and incomes for Canadian middle class families, and we can no doubt all talk about individual stories of workers who have travelled great distances for work. I know in my father's case he was not in the construction trade but he drove 52 miles from Cheverie to downtown Halifax every day for work, for decades. Today, I know the local construction workers in my home community of Cheverie drive into Halifax every single day on sometimes terrible roads in awful conditions in the middle of winter, leaving their homes at 5 a.m., driving home in the evenings, leaving before dawn and getting home after dark, and piling into cars with their lunch boxes and their thermoses and their gear ready to go to work, driving over these rough roads in terrible conditions, every single day from Cheverie, Bramber, Walton, Scotch Village, and all our local communities.

Part of the discussions around this bill will enable us to talk to the people in our own communities who commute long distances every day, and particularly people in skilled trades whom we need to support in any way we can. I appreciate the challenges facing the construction industry in areas where there are serious labour shortages, but we need to ensure this bill is targeted in such a way that it actually addresses those issues.

Improving labour mobility in Canada would lead to greater productivity and more prosperity for Canadians. At the same time, we must be careful not to drive a critical mass of young Canadians out of economically disadvantaged communities that need them. We have to monitor this and we have to craft public policy carefully.

• (1735)

Canada is experiencing very uneven economic growth. There is a strong connection between our growing provinces and the existence of natural resources. We need national strategies around the

extractive sector in oil and gas and the related construction industry if we are going to ensure that the prosperity is shared across Canada and enjoyed by all Canadians, regardless of where they are from.

This bill could perhaps help to address some of those inequities and help young Canadians see some of those opportunities. However, we will have to delve into those details on a more granular basis at the House of Commons finance committee.

[*Translation*]

**Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP):** Mr. Speaker, I am pleased to speak to such an important issue for tradespeople across the country.

The bill introduced by the hon. member for Hamilton Mountain would allow skilled workers to deduct from their taxable income travel and accommodation expenses. It would also allow them to maintain employment at a construction site that is more than 80 kilometres from their home.

This is a much-needed bill. Tradespeople are the engine of our economy. Construction is the biggest private sector industry in the country. It boasts 17,000 companies and employs a million Canadians. It creates more than 12% of our gross domestic product.

Skilled tradespeople include heavy equipment operators, electricians, welders, carpenters and so on. These workers are essential on construction sites. It is impossible to do the work without them.

However, the trades are facing significant challenges, including a shortage of workers and workforce mobility issues.

The Conference Board of Canada estimates that Canada will need at least a million more skilled tradespeople by 2020. In Quebec alone, more than 730,000 professional and technical jobs will open up in the coming year alone. Some of the most sought after workers include industrial mechanics, welders and industrial management supervisors.

The construction industry estimates that it will need an additional 252,000 workers.

These trades require solid math skills, creativity and technological know-how. The pay is good. Skilled professionals earn 3.1% more than the average Canadian.

However, there is a recurring issue and that is workforce mobility. I am not talking about interprovincial mobility, just regional mobility. The placement of work sites in Canada is based on need. In construction, mining and infrastructure, major work sites are often in regions that are far from major cities.

Workers who want jobs far from home have to pay for their own travel and accommodations while still paying for their permanent residences. Those costs eat up a significant portion of their earnings and are not deductible under the Income Tax Act. That makes working far from home a less attractive proposition, not to mention that these people are also away from their families.

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According to the building and construction trades department of the AFL-CIO, mobile workers spend an average of \$3,500 of their personal savings to relocate temporarily.

While some regions of the country are experiencing high unemployment, others are suffering from a labour shortage. The bill introduced by the member for Hamilton Mountain offers a two-fold solution to the problem. Workers working at job sites at least 80 kilometres away from home would not have to take a financial hit. This solution is needed all the more because of the Conservatives' employment insurance reform, which forces workers to accept jobs within 100 kilometres of home.

In addition, Bill C-201 would boost government revenues because the cost of these tax credits will be outweighed by the employment insurance savings this bill will generate.

We also have to consider employers. They will have access to a larger pool of skilled workers, and Canadians will have access to jobs. Employers will no longer have to resort to temporary foreign workers.

Tradespeople have been waiting for a solution to this problem for a long time. The construction trades have actually been asking for this law for the past 30 years. The Conservatives and the Liberals have done absolutely nothing. The NDP has put forward a real solution.

I would like to congratulate my colleague from Hamilton Mountain because she has been fighting for this for years. In 2006, she introduced Bill C-390 and in 2008, Bill C-227. Now she is at it again with Bill C-201.

If the members of this House really want to support tradespeople, they must support this bill. It is time to pass this bill.

This bill will enable mobile workers across Canada to maintain their residences while relocating to get work. The tax credit would cover travel, meals and accommodation reduce amounts paid by employers for those purposes.

The 2008 budget provided this kind of tax relief to truckers as a way to minimize mobility issues in that sector. Everyone in the industry agrees. This bill will really help workers relocate to job sites.

• (1740)

According to the president of the United Association of Journeymen and Apprentices of Plumbing and Pipe Fitting Local 67, Geoff Roman, we have become too reliant on skilled workers to foot the bill when the country faces a labour shortage.

Robert Blakely, Director of the Canadian Affairs Building and Construction Trades Department agrees. He said:

The baby boomer generation, which no one expected was ever going to retire, is going to retire. We have spaces for nearly 2,500 people to enter the construction industry in the next five years, and another 163,000 people in the five years after that...If we have trained people all across the country, we need to be able to move them.

In Quebec, the International Brotherhood of Electrical Workers, Local 568, strongly supports the bill. Financial secretary Laurent Talbot stated:

The math is simple. More tradespeople working equals a lower unemployment rate.

It is true. There are roughly 1.6 million construction workers in the country and 10% of them move every year. At an average cost of \$3,500 per worker per year, a 15% tax credit would cost the government \$525 per worker per year, for a total cost of \$84 million a year. For the same number of tradespeople receiving on average \$393 in EI benefits a week for an unemployment period of four weeks, the government would pay \$251 million in EI benefits a year, or nearly two and a half times more than under the bill, if it were passed.

The tax credit proposed in Bill C-201 would translate into a net savings of \$167 million a year. That is not insignificant. This solution has been advocated by a number of experts. The Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities made two similar recommendations in 2008 as part of a study on employability.

Last year, the committee addressed the issue of labour shortages again and made the following recommendation:

Recommendation 30.

The Committee recommends that the Government of Canada study the anticipated cost of introducing new fiscal measures that would help people who find jobs far away from where they live, for example a tax credit for travel and lodging if a person must work more than 80 kilometres from his or her residence, and that it study the potential impact of such measures on labour mobility and labour shortages.

After eight Conservative budgets, there still is no measure to correct this problem, which this government does not seem to take very seriously. Conservative members have said they support labour mobility, which is inconsistent. This is true of the member for Fort McMurray—Athabasca and the member for Prince Albert. Liberal members should also support this bill, given that it affects the entire country and there are construction workers in all ridings.

I hope that the bill introduced by my colleague from Hamilton Mountain, Bill C-201, passes. Tradespersons need to be supported across Canada, and they need to be treated with respect, like all workers in Canada.

• (1745)

[English]

**Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC):** Mr. Speaker, I appreciate this opportunity to speak on Bill C-201. It is a well-intentioned bill, but there are some serious flaws.

The economy is and still remains fragile. Simply put, now is not the time to engage in an estimated \$60 million per year of reckless and duplicate spending.

Our government will continue to identify efficient ways of supporting our apprentices and tradespeople while creating jobs and economic growth. To put it bluntly, Bill C-201 does the exact opposite of this. It is a costly and flawed piece of legislation that could expose Canada's tax system to a high likelihood of abuse.

Specifically, it would create new costly tax loopholes that would be vulnerable to unfair tax planning, as the deduction is drafted in an open-ended manner. It would give workers in one field an unfair advantage, potentially distorting the labour market. It would make it difficult to ensure that tax relief is not provided for personal expenses, solely reflecting lifestyle decisions. It would result in certain individuals receiving a windfall gain for those individuals who would have incurred eligible travel and accommodation expenses in any case. Also, it would cost in excess of \$60 million per year. These are clear and plain reasons why our government cannot support such a bill.

Rather than advance the flawed policy of the NDP bill, our Conservative government has introduced a number of measures that actually support tradespersons, encourage businesses to hire apprentices and encourage Canadians to pursue careers in the trades.

In 2006, members will remember that our government introduced the apprenticeship job creation tax credit which provides eligible employers with a tax credit equal to 10% of the wages paid to qualifying apprentices in the first two years of their contract, or up to \$2,000 per apprentice per year.

Also back in 2006, our government introduced in the budget the apprenticeship incentive grant which provides \$1,000 per year to apprentices upon completion of each of the first two years of an apprenticeship program in the red seal trade. Then, in budget 2009, our government introduced the apprenticeship completion grant which provides \$2,000 to apprentices upon the completion of their certification in a red seal trade.

Let us not forget that it was our government that introduced, in 2014, an annual deduction of up to \$500 for tradespersons for the cost of new tools in excess of \$1,127 that they must acquire as a condition of employment. Budget 2006 also increased to \$500 from \$200 the limit on the cost of tools eligible for the 100% capital cost deduction which may be claimed by self-employed tradespersons and businesses.

In addition, there are a number of existing measures under the Income Tax Act for employees, including tradespersons, who travel or relocate for employment.

First, the moving expense deduction recognizes costs incurred by workers who move their ordinary place of residence at least 40 kilometres closer to their place of business or employment in order to pursue employment opportunities. Eligible costs are limited to the amount of income earned at the new location for the year.

Second, the special and remote work sites tax exemption allows employers to provide board and lodging expenses to employees on a tax-free basis. This exemption is limited to benefits paid by the employers on behalf of the employees, which ensures that eligible expenses are incurred for employment purposes.

Third, the travel expenses deduction allows employees who are ordinarily required to carry out the duties of employment away from the employers' place of business or in a different location to deduct travel expenses incurred, including 50% of meal expenses where they are required by the employer to pay their own expenses.

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Fourth, similar to the travel expenses deduction for employees, self-employed individuals may deduct reasonable expenses incurred in connection with the generation of income from a business, including travel expenses, for example, lodging, and 50% of meal costs, while they are away from home.

● (1750)

Fifth, the northern residents deduction provides tax relief to individuals in northern and isolated communities to assist in attracting skilled labour to these communities.

Finally, the Canada employment credit, the CEC, introduced by the government in budget 2006 recognizes work-related expenses in a general way. In 2014, the CEC provides a tax credit on employment income up to \$1,127.

As hon. members can see, our government recognizes the importance of the skilled trades to Canada's economy. We continue through our economic action plan to support economic growth and job creation, which includes a number of initiatives that directly support the development of a skilled, mobile and inclusive workforce within an efficient labour market.

Economic action plan 2013 proposes new measures to support the use of apprenticeships in four key ways: supporting the use of apprentices in federal construction and maintenance contracts; ensuring the funds transferred to provinces and territories through the investment in affordable housing support the use of apprentices; encouraging provinces, territories and municipalities to support the use of apprentices in infrastructure projects receiving federal funding as part of the new building Canada plan for infrastructure; and providing \$4 million to work with provinces and territories to harmonize requirements for apprentices.

This kind of support for skills training is crucial to Canada's long-term growth, which is why our Conservative government is committed to maintaining this strong momentum. What the opposition does not understand is that in order to sustain this momentum more needs to be done than just creating training opportunities in high demand areas. It also requires creating the overall conditions for economic success that create high demand in the first place. It is for this reason Canada's economic action plan is a low-tax plan that will eliminate the deficit in 2015, reduce red tape and continue to promote free trade and innovation.

The results of our efforts speak for themselves. Since the depths of the global economic recession, the worst since the Great Depression, Canada's economy has created over one million net new jobs. These are overwhelmingly full-time, well-paying jobs in the private sector. I am proud to say that this is the strongest growth record among G7 countries, and others are noticing.

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We are garnering international attention with Bloomberg recently declaring that Canada was the second best country in which to do business, just behind Hong Kong. Both the International Monetary Fund and the Organisation for Economic Co-operation and Development have recognized the benefits of our plan. They expect Canada to be among the strongest growing economies in the G7 over the next few years.

Our government remains focused on the drivers of growth and job creation: innovation, investment, education, skills and communities. These are underpinned by our ongoing commitment to keeping taxes low and returning a balanced budget in 2015. Unfortunately, bills such as Bill C-201 would do nothing to strengthen Canada's economy. It contains too many flaws, would cost too much, and it fails to take into account the effective policies we currently have in place to help not only tradespersons but all hard-working Canadians.

Given the many shortcomings in the proposal before us today, I encourage my fellow members to vote against this legislation.

• (1755)

**Mr. Claude Gravelle (Nickel Belt, NDP):** Mr. Speaker, I am happy to rise today to speak to this bill amending the Income Tax Act to deal with travel and accommodation deductions for tradespersons.

It is no surprise that this legislation comes from my colleague and friend, the member for Hamilton Mountain. Nickel Belt and Hamilton have much in common besides their good sense in electing New Democrats to the House of Commons.

My colleague has been tireless in her support and advocacy for working men and women. Like her, I understand the extraordinary contributions made by tradespeople for our economy and our communities. People in Hamilton and Nickel Belt get this.

Like her, I know the extraordinary contributions unions make in the fight for justice, fair wages, pension protection of workers, and so much more. Examples are the Edgar Burton food drive in Sudbury, led by local 6500 USW, and the building of the cancer treatment centre in Sudbury, which was driven by all union members in Sudbury and Nickel Belt.

Unlike the government opposite, we on this side respect the union movement and the role unions play in building our communities and our country. The Conservatives proved last night, by supporting Bill C-525, how they feel about unions.

This is a reasonable proposal before the House today. It would allow tradespersons and apprentices to deduct travel and accommodation expenses from their taxable incomes so that they could secure and maintain employment at a construction site that is more than 80 kilometres away from their homes.

I worked for a mining company for 34 years as a tradesman. I know the importance of the trades and the need, from time to time, for those skilled labourers to travel great distances to projects in other parts of the province or country.

Sitting these past two years on the natural resources committee, I understand the demand for skills in these major oil and mining projects and the likelihood of our workers travelling great distances

to secure these jobs. This is an issue that is going to become increasingly important in our country.

This bill will help our working people and their families. The Canadian building and construction trades have been asking for this legislation for over 30 years. They got a lot of words from successive Liberal and Conservative governments, but no action.

Let us think about taking this reasonable small step in helping these tradespeople and our economy.

Construction workers cannot claim their travel or accommodation expenses when they accept jobs in other parts of the province or country. Building and trades officials report that the average expenses to relocate can be about \$3,500. Some cannot afford to pay those expenses knowing that they cannot get a tax credit for them.

The member for Hamilton Mountain has done her homework on making this a win-win situation for everyone. It would solve the challenges in our regions where one area suffers from high unemployment while another suffers from temporary skilled labour shortages. Let us help the skilled workers get to where they need to be.

This legislation is even revenue neutral, given the savings that would happen in employment insurance benefits. The government has trouble figuring this out.

I have a response to a petition I submitted last month that was in favour of Bill C-201. The government calls this bill costly and flawed. The government insults workers, claiming that this tax relief could be open to much abuse, with moves done for lifestyle decisions rather than for work.

Any tax credit is, of course, open to abuse and requires safeguards and monitoring, which the Canada Revenue Agency is supposed to provide. It is not that difficult to confirm that a move has been made to take a skilled job that has not been filled.

The government response also alleges that certain individuals might receive a windfall gain and would have incurred ineligible travel and accommodation expenses in any case. I do not know who they were thinking about when they made these comments. It was probably Duffy, Wallin, Brazeau, Harb, and Lavigne. These people I named are not tradesmen. They are professional fraudsters. They are senators.

• (1800)

It is not difficult to make clear what an eligible expense is and who qualifies.

The CRA is also there to investigate any double-dipping.

This is also a win-win for the employers, giving them access to much larger pools of qualified workers. We need to act when we look at this country's demographics, including the baby boom generation, the numbers to retire in the next 10 years, and the statistics on shortage of skilled workers.

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[Translation]

This bill has been introduced in every parliamentary session since 2006. It was part of the NDP's election platforms in 2008 and 2011. What we want is simple. The bill would allow tradespersons and apprentices to deduct travel and accommodation expenses from their taxable income so that they can secure and maintain employment at a construction site that is more than 80 kilometres away from their home.

These mobile workers across Canada continue to have to worry about maintaining a residence and their family, while spending their own money to travel in order to find work. The tax credit would cover the cost of travel, meals and accommodation and reduce the amounts paid by employers for the same things. The 2008 budget offered a similar break to truck drivers in order to reduce problems associated with mobility in that industry.

[English]

I remember what the AFL-CIO's Building and Construction Trades Department director, Robert Blakely, said at the 2012 pre-budget consultations:

We have spaces for nearly 2,500 people to enter the construction industry in the next five years, and another 163,000 people in the five years after that. It's an industry that is going to change. If we have trained people all across the country, we need to be able to move them.

There are an estimated 1.6 million construction workers in Canada. An estimated 10% of them travel each year. This legislation is even revenue neutral, given the savings that would happen in employment insurance payments.

The government has trouble figuring this out. The government needs to do the real math, not the nonsense of estimating the cost of the bill at \$60 million per year.

**Mr. Colin Mayes (Okanagan—Shuswap, CPC):** Mr. Speaker, Bill C-201, an act to amend the Income Tax Act, would in essence allow tradespersons and indentured apprentices to deduct from their taxable income any travel and accommodation expenses that they have incurred in order to secure and maintain employment in a construction activity at a job site that is located at least 80 kilometres away from their ordinary residence.

Let me first say that our government encourages new ways and ideas to improve Canada's tax system. Our government has a strong record of tax fairness and tax relief. We work diligently to treat each tax dollar we receive responsibly. Therefore, we are always open to ways that can keep money where it belongs, in the pockets of hard-working Canadians.

We realize that Bill C-201 has good intentions, such as providing tax relief for tradespersons and indentured apprentices who have to travel a long distance to work. We thank the member for her concern for these hard-working Canadians, but unfortunately the bill itself has too many problems for the government to support it.

Like speakers before me have mentioned when the bill was first debated, the bill contains flaws that could create opportunities for tax planning. It is a piece of legislation that could pose a very significant cost to taxpayers. Further, the bill is redundant, considering that our government already has thoughtful and practical measures to support apprenticeships and tradespersons.

Allow me to elaborate on that point. In response to growing shortages of skilled labour in some parts of our country, our government already provides a number of measures to support apprentices and tradespersons who are an integral part of our economy. Specifically, the government has introduced a number of measures to encourage businesses to hire apprentices and Canadians to pursue careers in the trades.

Let me share what we have done. Budget 2006 introduced the apprenticeship job creation tax credit which provides eligible employers a tax credit equal to 10% of the wages paid to qualifying apprentices in the first two years of their contract, up to \$2,000 per apprentice per year. Budget 2006 also introduced the apprenticeship incentive grant, which provides \$1,000 per year to apprentices upon completion of each of the first two years of an apprenticeship program in the red seal trades. Also, budget 2009 introduced the apprenticeship completion grant, which provides \$2,000 to apprentices upon completion of their certification in red seal trades.

We have consistently supported tradespersons in Canada. Budget 2006 also introduced an annual deduction of up to \$500, in 2013, for tradespersons for the cost of new tools in excess of \$1,117 that they must acquire as a condition of employment. Budget 2006 also increased to \$500 from \$200 the limit on the cost of tools eligible for the 100% capital cost deduction which may be claimed by self-employed tradespersons and businesses. Our government has also extended the fees eligible for the tuition tax credit to include those from examinations required to be certified as a tradesperson in Canada.

It does not stop there. In addition to these tax measures and grants, our government, through economic action plan 2013, proposed new measures to support the use of apprentices in three key areas. The first is changing the government's approach to procurement by introducing measures to support the use of apprentices in federal construction and maintenance contracts. Second is ensuring that funds transferred to provinces and territories through the investment in affordable housing support the use of apprentices. Third, we are encouraging provinces, territories and municipalities to support the use of apprentices in infrastructure projects receiving federal funding as part of the new building Canada plan for infrastructure.

To further reduce barriers to accreditation in the skilled trades, economic action plan 2013 announced the government's intention to reallocate \$4 million over three years to work with provinces and territories to harmonize requirements for apprentices, as well as examining the use of practical tests as a means of assessment in targeted skilled trades.

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●(1805)

Economic action plan 2013 was a large commitment by our government to support the skilled trades and encourage growth in these very important industries. Unfortunately, the member opposite who put forward Bill C-201 voted against every one of these measures. Therefore, it is surprising to see her claim full support for tradespeople across the country.

Having established how our government has been, and continues to be, proactive when it comes to providing practical support for apprentices and tradespeople, I would like to discuss the important policy concerns that the bill raises. To put it bluntly, as drafted, Bill C-201 would make it difficult to ensure that tax relief is not provided in respect of personal expenses reflecting lifestyle decisions. For example, expenses incurred by eligible individuals who choose to live more than 80 kilometres away from the workplace for personal reasons would qualify for the tax relief. Furthermore, the open-ended nature of the proposed deduction would make it vulnerable to unfair tax planning. For example, individuals could arrange their affairs to claim a recreational property, such as a cottage more than 80 kilometres away from work, as their principal residence and deduct the cost of maintaining their urban residence as an expense required to secure and maintain employment. Legislating tax credits that are open to abuse is not how we create a fair tax system for all Canadians.

Finally, implementing Bill C-201 would cost taxpayers up to \$60 million. Since our government already has significant measures in place to provide tax relief to tradespeople, we do not see any added benefit to forgoing more tax revenue for a measure that may not prove to be effective, and a measure that could subsidize personal choices, for that matter.

We take pride in the fact that under our government the overall federal tax burden is the lowest it has been in 50 years. In total, our government has introduced more than 160 tax-relief measures since 2006, reducing taxes in every way that the Government of Canada collects them. These are real measures that are helping all Canadians across the country: tradespeople, apprentices, families, seniors, and the list goes on. Canadians at all income levels are benefiting from the personal income tax relief introduced by the government, with low- and middle-income Canadians receiving proportionately greater relief. The average family of four is saving over \$3,200 per year in taxes, and more than one million low-income Canadians have been removed from the tax rolls.

This is great news, and more work must be done. However, we must be cautious of proposals that would unnecessarily burden the work our government is doing to balance the budget. Our government is focused on the drivers of growth and job creation: innovation, investment, education, skills, and communities, underpinned by our ongoing commitment to keep taxes low, and returning to a balanced budget.

Therefore, it is our position that Canadians do not need Bill C-201. It contains too many flaws. It costs too much, and it is redundant, considering the policies we currently have in place to help not only tradespeople, but all working Canadians as well. With that, I encourage my fellow members to vote against the bill.

●(1810)

[*Translation*]

**Ms. Christine Moore (Abitibi—Témiscamingue, NDP):** Mr. Speaker, I am pleased to speak to the bill introduced by my colleague, the member for Hamilton Mountain, because it will help the people in my riding in particular. I will explain in real terms what they experience, and this will help everyone understand how beneficial the bill is.

This bill allows tradespeople—mainly construction workers—and apprentices to deduct from their taxable income any travel and accommodation expenses that they incur in order to secure and maintain employment at a job site that is located more than 80 kilometres away from their residence.

In order to help members understand how the bill works, I will briefly explain the geography of my riding.

My riding includes four RCMs: Abitibi to the east, Abitibi-Ouest to the northwest, the city of Rouyn-Noranda a little further south, and Témiscamingue. Each RCM has a main city located more than 80 km from the next city.

With this bill, a worker can work for a while in another RCM in order to honour a contract and can deduct travel and accommodation expenses from his taxable income.

Why is this particularly attractive? In some RCMs, there is often too much work for one person in specific construction trades, but not enough for two people, or there is work, but not enough to hire a worker on a full-time basis.

For example, if a plumber in the Témiscamingue RCM does not have enough work, he can accept one- or two-month contracts in a neighbouring RCM in order to earn a full-time income. Thus, he will be able to complete a job in a neighbouring RCM. In a situation where there is too much work for one person, but not enough for two, this plumber can accept a portion of the work.

At present, there is a problem in the Témiscamingue RCM, to the south, which has a smaller population. It probably has the smallest number of available hours of work. Often, it is not worth their while for people from other RCMs to accept contracts there.

There are municipalities that put out a call for tenders to install air conditioners, for example. This has to be done by someone with a competency card. However, no one wants the job because the pay is not high enough to offset their costs. No one bids or the bids are ridiculously high. If the individual who accepts the contract were able to deduct his costs from his taxable income, it would be worth his while to go.

This bill definitely recognizes the reality of rural areas where the major centres are more than 80 kilometres apart. Of course, major centres are relative. In my riding, a town of 10,000 people is a major centre. I know that it is not the same everywhere. Given that the major centres are more than 80 kilometres apart, this bill really reflects the local reality.

*Private Members' Business*

I think it would be interesting to have some statistics on the construction industry in Abitibi-Témiscamingue.

In 2009 and 2011, there were 3,000 construction jobs on average. That represents 4.4% of regional employment. Many people in my region would tangibly benefit from the bill.

• (1815)

I would also like to say that the number of housing starts keeps increasing because the vacancy rate has been under 1% for the past few years in cities such as Amos, Rouyn-Noranda and Val-d'Or.

Another factor, in addition to the vacancy rate, is that sometimes builders cannot find the people to do the job. These construction sites slow down. This bill could help get projects up and running because the financial incentive for workers who want to go elsewhere will make it possible to move labour around. Vacancy rates are one factor, but so are the projects themselves. Although the industrial mining sector has slowed down somewhat, there was a significant boom in 2013.

In real terms, investments are not growing. In 2011, they apparently totalled more than \$2 billion, including mining and hydroelectric projects in northern Quebec and Abitibi-Témiscamingue, and not counting the activities that could develop from the Plan Nord of the Quebec government of the time.

From 2000 to 2011, according to the Institut de la statistique du Québec, the value of construction permits grew at an annual average of more than 10% in most RCMs in the Abitibi-Témiscamingue region, particularly in the Vallée-de-l'Or RCM and the city of Rouyn-Noranda, for a total of \$154 million and \$80 million respectively.

There has been clear growth in construction in Abitibi-Témiscamingue, primarily in the residential construction sector, followed by institutional and commercial construction, industrial construction, and civil engineering and road construction. It is hard to find workers for this growing sector because the financial compensation is inadequate.

Nonetheless, we have a tangible way of helping a rural region like mine. That is why I hope that the members of all parties will support this bill, which was introduced at the very start of the session. We were quite anxious to talk about it. My colleague from Hamilton Mountain introduced it just after the election. I am extremely pleased to finally speak to it and to say how beneficial it will be to my riding, Abitibi-Témiscamingue. I sincerely thank my colleague for introducing this bill that will help my riding.

• (1820)

[English]

**Ms. Chris Charlton (Hamilton Mountain, NDP):** Mr. Speaker, I had hoped to be able to rise in the chamber tonight to thank my colleagues from all sides of the House for putting partisanship aside and doing the right thing; the right thing for Canada's building and construction trades, for employers who cannot find enough skilled workers to meet their job requirements, for regional economies and for the taxpayers of this country. We could have achieved all of that simply by supporting Bill C-201, an act that would allow tradespersons and indentured apprentices to deduct from their taxable income any travel and accommodation expenses they incur to secure and maintain employment in a construction activity at a job

site located at least 80 kilometres away from their ordinary place of residence.

However, it is clear from the Conservative members' comments in this debate that they are once again going to allow partisanship to stand in the way of good public policy. In fact, the member for Yukon basically said as much when he stated essentially that I should not have had the audacity to introduce this bill because, in his view, it should have been introduced by the Conservatives as part of their budget process. I would have been happy for that to happen. In fact, ever since I first introduced this bill in 2006, I have repeatedly been in touch with the government, including the Prime Minister and the Minister of Finance, to indicate that I would happily withdraw my bill if the government wanted to introduce it as a Conservative budget measure. However, eight years later, the building trades have still only received lip service instead of action and, frankly, they deserve better. What they are getting from the current government is the same run-around that they got from previous Liberal and Conservative governments for the last 35 years. It is a disgrace. The reasons being articulated by members on the government side just do not hold water. I only have five minutes to participate in tonight's debate, but thankfully all of the arguments are easy to rebut.

The first argument put forward by the Parliamentary Secretary to the Minister of National Revenue was that the bill would be very costly and that the cost would be significant to our economy at this time. However, just a few minutes later he went on to take credit for "Canada's strong economic performance". Well, which is it? Did the Conservatives fail and the economy is still fragile? Or is the economy robust and the Conservatives are simply refusing to act? Either way, the government is failing Canada's building and construction trades.

The next argument put forth by government MPs is that the Canada jobs grant is a better solution than my bill for the skilled labour shortage, which has been identified by the Canadian Chamber of Commerce as the number one issue facing its membership. However, oops, the Canada jobs grant does not actually exist yet and, given the provinces' rejection of the federal approach on this file, it may in fact never get off the ground. However, that of course has not stopped the government from already spending taxpayer dollars on advertising this non-existent program.



*Adjournment Proceedings*

To add insult to injury, the Conservative talking points then suggest that my bill would provide tax relief for “personal expenses that reflect lifestyle decisions”. That argument is buttressed by examples of imaginary workers who would use my bill to scam the government by going to the cottage so they could claim to be more than 80 kilometres away from a job site that in reality is close to their primary residence. That argument is so absurd that I do not even know where to begin, but suffice it to say that tax credits only return a percentage of the actual money spent on travel, so no one is going to come out ahead financially under this bizarrely concocted Conservative scenario. It would be cheaper for them to live at home. I do not think I will be taking any lessons on tax evasion from a government that has done nothing to recover the \$5 billion to \$7.8 billion in Canadian tax revenue that is lost annually to tax havens around the world.

The last argument put forth by the government is that the bill would “raise equity concerns”, meaning that by singling out tradespersons my bill would not go far enough in offering the same benefits to other workers. On that point, we can agree, and I would be more than happy to entertain amendments in committee to broaden the coverage of my bill. I had specifically kept the focus narrow to keep the bill revenue-neutral and to alleviate the cost concerns that I knew would be at the root of the government's objections. However, by all means let us include others; the members of ACTRA, for one, would be delighted. However, the only way to do that is to actually vote in favour of my bill at second reading, so it will end up in committee where amendments could be made. That is where the rubber would hit the road.

I know the Conservatives are not sincere in wanting to improve the bill. They have their marching orders. Even those members like the MPs for Brant and Mississauga—Streetsville and the Minister of Labour, who spoke out in favour of my bill at the HUMA committee, now appear to be backtracking. I cannot believe they would just allow themselves to be muzzled by the PMO. Nor do I want to believe they are the kind of politicians who say one thing to one audience and something else to a different crowd. I want to believe they are more principled than that.

So today in these final few seconds of second-reading debate, I want to speak directly to them and say to stand up for what they believe in, that they know this bill is the right thing to do; to talk to their colleagues and tell them that it is never wrong to fight for what is right.

On February 5 when this bill comes to a vote, let us make history. Let us pass this initiative that helps the very men and women who have literally built our country. Canada's building and construction trades deserve nothing less.

•(1825)

**The Acting Speaker (Mr. Barry Devolin):** Actually, the vote may come sooner than February 5.

Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Mr. Barry Devolin):** The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Barry Devolin):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Barry Devolin):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Barry Devolin):** In my opinion, the nays have it.

*And five or more members having risen:*

**The Acting Speaker (Mr. Barry Devolin):** The recorded division stands deferred until Wednesday, February 5, 2014, immediately before the time provided for private members' business.

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## ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

### ABORIGINAL AFFAIRS

**Ms. Niki Ashton (Churchill, NDP):** Mr. Speaker, to clarify, my late show is actually based on a question that was directed to the Minister of Employment on the lack of follow-up in terms of funding that was committed to aboriginal youth programming in northern Manitoba. To be specific, it is the fact that the government has dropped the ball when it comes to funding the skills link programming.

I do not know who can say no to the skills link program. It is a program that is absolutely integral to ensuring that aboriginal youth, particularly at-risk aboriginal youth, do not fall through the cracks, and that they continue furthering their education, often with a special focus on the trades.

I am speaking in particular about two programs in northern Manitoba that have been set back by the Conservative government's failure to live up to its commitment of funding. I am talking about the youth build program that is based out of the Boys & Girls Club in Thompson, Manitoba, and the programming based out of the friendship centre in Flin Flon, Manitoba.

Both of these programs were told that their applications for skills link funding were in good standing. Both programs were told that funding would be in the works. The staff in Thompson were told that the funding would be rolling out in September and then it was October. They were then given the date of January 20. All of those three dates have come and gone. These executive directors and these teams, who are simply trying to make a better future for these young people, have faced calls that lead nowhere and commitment after commitment that is not fulfilled.

*Adjournment Proceedings*

What it really comes down to is a fundamental fracturing of the kind of trust that people ought to have in their government, not just on any issue but on an issue that the Conservative government has time and time again paid lip service to. It says that it wants to support training for aboriginal youth, but where is the money? The commitment has been there. We have heard the lip service in throne speech after throne speech. We even heard it in the last one, but when it comes time to put its money where its mouth is, the Conservative government is not there.

If that is not bad enough, let us look at the reality. The program in Thompson attracts around 20 youth. Often, these youth have dropped out of school. Some of them are teenage parents. Some have had a tough life, where they have been involved in gangs and dangerous activities. However, every single one of these youth are in this program, they applied and they were accepted, because they show not only the promise of change but the commitment to get their lives going on the right track, to get an education, to get a trade, to get a job, to sustain their families, to contribute to their communities.

These youth in both Thompson and Flin Flon, and perhaps in other communities, are the people who are being let down by the federal government. My question is this. When will that funding flow and when will these aboriginal youth be supported?

• (1830)

**Mr. Scott Armstrong (Parliamentary Secretary to the Minister of Employment and Social Development, CPC):** Mr. Speaker, I am pleased to rise to speak to the question from the hon. member for Churchill.

We are committed to ensuring that first nation youth have the skills they need to enter the workforce and benefit from participating in the economy.

To help achieve this goal, the first nation and Inuit skills link program is one of two programs that our government administers under the first nations and Inuit youth employment strategy. The skills link program provides many different aspects, including wage subsidies for work placements and mentorship for youth who are not in school, to enable them to develop the valuable skills necessary to ensure full participation in the workforce. It includes work experience specifically in the field of information and communications technology. It includes activities designed to support aboriginal entrepreneurship. It also includes training experiences that support youth in acquiring skills needed for work placements. It includes career development information, including awareness and support activities like career fairs and leadership projects, career planning, and counselling activities. It also includes activities that promote interest in science and technology among aboriginal youth, including science camps, computer clubs, and activities that connect science and technology to traditional aboriginal knowledge. As members can see, there is a diverse amount of opportunities contained within the skills link program for aboriginal and Inuit youth.

In Manitoba, we have arrangements in place to deliver approximately \$4.5 million to support skills link and summer work experience projects for 64 first nations and organizations this fiscal year. The skills link program aims to promote the benefits of education as key to labour market participation and to help first nation and Inuit youth overcome barriers to employment.

Another objective of the program is to introduce youth to a variety of career options and help youth acquire skills by providing stipends for mentored work experience, as well as support the provision of mentored school-based work experience and study opportunities such as co-operative education and internships.

Ultimately, we expect participating first nation and Inuit youth to have enhanced employability skills, increased awareness of the benefits of education, enhanced ability to make employment-related decisions, increased appreciation for science and technology as a viable career or education choice, improved attitudes toward the transition from school to work, and an increased ability to participate in the labour market.

These objectives and expected outcomes are consistent with, and support, our government's youth employment strategy skills link program. We will continue to invest in aboriginal youth through these innovative programs.

Our government is focusing on funding projects that generate tangible results. We will continue to support the delivery of essential programs and services through organizations that get results, contributing to the improved living conditions and economic development of aboriginal peoples, while respecting Canadian taxpayers.

**Ms. Niki Ashton:** Mr. Speaker, I appreciate the time my colleague has taken to share that message.

I know very well what the skills link program is about. The reality is that the government has committed funds that have not flowed at this point, we are talking about six months down the line, from that initial application.

I noticed the significant figure he mentioned in terms of Manitoba. My question, and what a lot of people are asking, is this. If the money has not flowed to two programs in the constituency that has the highest per capita indigenous population, where did that money go? Is there perhaps a political agenda here; that ridings represented by government members are having their programming approved rather than programs in ridings held by opposition members? I hope that is not the case. I would ask my colleague to look into these two cases to make sure that it is the youth who are being prioritized rather than political agendas.

• (1835)

**Mr. Scott Armstrong:** Mr. Speaker, I will commit to look into those two particular programs.

*Adjournment Proceedings*

The only political agenda going on here is the fact that our government puts millions of dollars into the youth employment strategy for all Canadian youth across the country, including significant dollars for Inuit and aboriginal youth, and that member and her party consistently vote against that money. Therefore, they are asking where the money is to support these programs after they have voted against the money when it was placed in the budget in the first place. That is the political agenda we are seeing here.

## THE ENVIRONMENT

**Mr. Bruce Hyer (Thunder Bay—Superior North, GP):** Mr. Speaker, I rise today to speak on an issue that now more than ever needs immediate action if we wish our children and our grandchildren to have a healthy planet and healthy lives.

Plus, rising carbon pollution is threatening our prosperity. I say pollution, because that is what it is. If a pollutant is anything that has harmful effects when introduced into air or water, then greenhouse gases, like carbon dioxide, are pollutants, if there ever were any.

Instead of reducing this pollution, Environment Canada's own numbers show that we are on track to blow way past our 2020 emissions target of a 20% reduction and will release 734 megatonnes of greenhouse gas pollution in that year. That is a far cry from the government's own watered down target of 612 megatonnes. Much of that increase will be from the oil and gas sector, which the government first promised to regulate in, wait for it, 2009. Four environment ministers and five years later, industry is still waiting for rules that would give us carbon reduction and the energy companies certainty.

Today science is telling us that we have only a couple of years left to turn things around. The answer is not complicated. Most agree that a polluter pay approach is the fairest and most effective way to lower emissions. We pollute, we pay. It is simple. Implementing it is simple too. We just put a price on carbon emissions, as many other countries are already doing.

Putting an upstream fee on emissions as they come out of the ground will mean that only a handful of sources need to be regulated, and we will avoid the need for a huge bureaucracy measuring emissions from every smokestack and tailpipe in Canada.

Yes, this rising fee will mean carbon-intensive energy will cost more, and that is the entire point. Because of this price signal, the market would use less and would turn to less carbon-intensive alternatives. Conservatives claim to believe in market forces. This is the most efficient, market friendly way to reduce emissions.

We can eliminate the impact on most families by making it completely revenue neutral so that every dime collected from the fee is returned directly to Canadians to do with whatever they choose. If they use less energy, they will actually make money. If they do not, they will not. It is up to them.

The system is called fee and dividend, and I hope members will recognize that it is a much better option than cap and trade or a carbon tax. I know what some will say: putting a price on carbon by any method is a carbon tax, and that will kill jobs. No, fee and dividend would create new jobs. Let us not forget that under this definition, the government's own regulatory approach is a carbon tax.

Let us admit up front that no party wants a policy that kills jobs. However, do revenue neutral policies to internalize the price of emissions cause economic harm? We have one of the world's best answers to that question right here in Canada. B.C. implemented a carbon tax, and the sky did not fall.

In contrast to taxes, under revenue neutral fee and dividend, the government keeps none of the fee. Fee and dividend has the greatest potential to reduce emissions, being simpler and business friendly, and it would provide the best incentive of all for renewable energy alternatives: price. That is why the Citizens Climate Lobby is pushing hard for it.

• (1840)

**Mr. Colin Carrie (Parliamentary Secretary to the Minister of the Environment, CPC):** Mr. Speaker, our government takes the challenges of climate change seriously.

For this reason, our government is implementing a sector-by-sector regulatory approach to reducing greenhouse gas emissions. Our approach is achieving real reductions while providing regulatory certainty, driving innovation, and leveraging capital stock turnover to avoid locking in long-lived, high-emitting infrastructure.

We are aligning certain sectoral policies with the United States, given the degree of economic integration between our two countries. This approach allows Canada to maximize progress on reducing emissions while maintaining economic competitiveness.

We began implementing our approach by addressing two of the largest sources of greenhouse gas emissions in this country: the transportation and electricity sectors.

In the transportation sector, we worked with the United States to put in place harmonized emission standards for new passenger automobiles and light trucks up to the 2016 model year vehicles, and issued proposed regulations for later model years. With these regulations, it is projected that the 2025 model year vehicles will produce 50% less greenhouse gas emissions than 2008 vehicles. We have taken the same approach to improving fuel efficiency and reducing greenhouse gas emissions from heavy-duty vehicles, such as full-sized pick-ups, semi-trucks, garbage trucks, and buses.

As a result of these regulations, greenhouse gas emissions from the 2018 model year heavy-duty vehicles will be reduced by up to 23%.

*Adjournment Proceedings*

In the electricity sector, our government's coal-fired electricity regulations further strengthen Canada's position as a world leader in clean electricity production. We have introduced a tough new regulatory performance standard for coal-fired electricity generation. With these regulations, Canada became the first major coal user to ban the construction of traditional coal-fired electricity generation units.

The fact is that no other government has done as much to reduce greenhouse gases as ours. As I mentioned, our approach is generating results, and Canadians can be proud of it.

As a result of our actions, Canada's 2020 emissions are projected to be about 128 megatonnes lower than what they would have been under the Liberals. It is important to note that this is equivalent to shutting down 37 coal-fired electricity generation plants.

Our government will continue to focus on a pragmatic approach to climate change that will reduce emissions while continuing to create jobs and encourage the growth of Canada's economy. We will achieve all of this without imposing a \$20-billion carbon tax on Canadians as proposed by the opposition and the NDP.

**Mr. Bruce Hyer:** Mr. Speaker, most MPs in this House, on both sides of the aisle, want to do what is best for Canada. We know that our job as MPs sometimes means making tough decisions, decisions we cannot avoid any longer. Looking at the government's own numbers, every MP knows we are not doing enough, whether or not their party will allow them to admit that publicly. Each of us knows that inaction on climate change will be far more expensive than taking action. We must pick our poison.

In Canada, so far the debate has been sadly polarized, like tonight, between cap and trade, which the U.S. is never likely to adopt, or a carbon tax, which political parties do not want to touch. Let us take the good advice of the Citizens Climate Lobby and support fee and dividend as the simplest, fairest, and most efficient way to reduce greenhouse gas emissions in a business-friendly way.

**Mr. Colin Carrie:** Mr. Speaker, the reality is that since 2006 our government has taken action to reduce greenhouse gas emissions and build a more sustainable environment through more than \$10 billion in investments to support green infrastructure, energy efficiency, clean energy technologies, and the production of cleaner energy.

We are seeing successes. Greenhouse emissions have decreased while the economy has continued to grow. I think that is the first time that has ever happened. Canadians can also be proud of the fact that per capita emissions are at a historic low of 20.4 tonnes of carbon dioxide equivalent per person, the lowest level since tracking began in 1990.

We are committed to our approach, and it is working. Canadians can be sure that we will continue to oppose the NDP's \$20-billion carbon tax.

## NATURAL RESOURCES

**Ms. Elizabeth May (Saanich—Gulf Islands, GP):** Mr. Speaker, I was somewhat surprised that my question to the Prime Minister on December 5 just before our Christmas break was viewed by whomever categorizes my late show questions as one relating to natural resources, as I really feel it deals with first nations rights and the responsibilities of the Minister of Aboriginal Affairs and

Northern Development. The reality is that the question I raised deals with a critical issue in general and a very disturbing issue in particular.

On December 5, I asked my question of the Prime Minister. This was coincidentally the same day the Prime Minister created his own special task force and asked Mr. Doug Eyford to prepare a report on forging partnerships and building relationships with first nations in relation to proposed west coast energy projects.

When that report came out, it made it very clear what everybody already knew. The Supreme Court of Canada had made it abundantly clear that the federal government, provincial governments and corporations dealing with first nations rights and territories have a strong constitutionally protected requirement to fully consult in a meaningful way with first nations before participating in resource development on their land.

Mr. Eyford's report contained four points. He urged the Prime Minister to build trust, foster inclusion, advance reconciliation and then take action.

What I raised with the Prime Minister was the distressing case of what took place on Elsipogtog First Nation, a Mi'kmaq community near Rexton, New Brunswick. The first nation community was dealing with an energy proposal, the non-conventional issue of hydraulic fracking. The community of Elsipogtog was widely supported by people in New Brunswick and adjacent communities, who were also concerned and did not want fracking. They were concerned about their groundwater.

The protests that led to arrests were against SWN, a Houston-based company, that wanted to do hydraulic fracking and seismic testing. This testing was supported by the New Brunswick premier but not by the people of New Brunswick and not by the Mi'kmaq people. Exploration testing was to be done without consultation with Elsipogtog and Mi'kmaq first nations in contravention of numerous court decisions, most notably the Marshall decision, which dealt specifically with Mi'kmaq first nations' rights. This first nation has unceded territory. No treaty could possibly be produced that would allow what has been going on in New Brunswick with the pressure for hydraulic fracking on first nations territory.

I will quote my question to the Prime Minister:

In the context of the increasing tensions in New Brunswick in the fracking protests there, does the Prime Minister recognize that he is legally bound by our Constitution to ensure that the Mi'kmaq of Elsipogtog are fully consulted in advance of any fracking on their unceded territory?

The Prime Minister responded by saying he understood his obligations and in fact had just received the report to which I referred moments ago from Mr. Eyford.

*Adjournment Proceedings*

I remain deeply concerned about this incident as a representative of British Columbia and the member of Parliament for Saanich—Gulf Islands. There is a tremendous amount of anxiety about what could be coming if there should be, God forbid, a pipeline approved over first nations' territories where British Columbians and first nations do not want it.

If the example of what has taken place at Elsipogtog were to be played out in British Columbia, I would be deeply concerned. There was neither consultation nor was there an attempt to build trust, good relationships or reconciliation. Instead there were the violent RCMP arrests on what had been up to that moment a non-violent protest. We need an explanation.

● (1845)

**Mr. Colin Carrie (Parliamentary Secretary to the Minister of the Environment, CPC):** Mr. Speaker, I think my colleague is aware that fracking is mostly under provincial jurisdiction. However, I am happy to say that our government always strives to meet its constitutional obligations.

Aboriginal consultations are a key part of our responsible resource development initiatives. I am pleased to have this opportunity to explain how our government is working to strengthen aboriginal involvement in Canada's resource sectors.

Canada's resource industries already employ some 32,000 aboriginal people, more than any other sector of our economy. This level of employment will only increase as we see more and more projects come forward. Indeed, over \$650 billion worth of projects have been proposed, the majority of which are near or on aboriginal lands. These projects could have an enormously positive impact on the prosperity of aboriginal communities.

The member opposite has been clear in her opposition to resource development. I hope the member opposite will excuse me if we follow a different path.

Our government wants to ensure that we develop our resources responsibly to create jobs while ensuring that the environment is protected. Our government's plan for responsible resource development is improving Canada's regulatory system by reducing red tape and modernizing processes, while strengthening environmental protection and enhancing consultations with aboriginal peoples.

As my colleague mentioned, we are taking action. Douglas Eyford, Canada's special federal representative on west coast energy infrastructure, recently provided the government with recommendations that will support greater aboriginal participation in resource development. The themes of the Eyford report—trust, inclusion, and reconciliation—can guide all parties in building further the relationships that will underpin responsible resource development and the participation of aboriginal peoples. The report by the special federal representative is a solid basis for sustained engagement with west coast aboriginal people. It recognizes an opportunity for aboriginal communities to realize long-term benefits and to be partners in west coast energy development.

Our government has been, and currently is, engaging and will continue to engage with aboriginal communities on concrete ways to move forward on the recommendations in the report.

The Eyford report builds upon previous initiatives taken by our government to support aboriginal participation in the resource sectors. For example, in 2012 the federal budget provided more than \$690 million for skills development, education, and infrastructure. In addition, our plan for responsible resource development includes a commitment to ensure that consultations with aboriginal peoples on natural resources projects are more consistent, accountable, meaningful, and timely.

The plan includes, first, the integration of consultations with aboriginal peoples into the new environmental assessment and regulatory processes; second, the provision of \$13.6 million over two years to support aboriginal consultations on projects; third, the designation of a lead department or agency as a single crown consultation coordinator for each major project review; fourth, negotiation with provincial and territorial governments to better align government processes and improve the involvement of aboriginal peoples; and fifth, the promotion of positive and long-term relationships with aboriginal communities to facilitate greater participation of aboriginal peoples in the direct and indirect benefits of new resource projects.

● (1850)

**Ms. Elizabeth May:** Mr. Speaker, I did reference Mr. Eyford's report. However, it is clear from the events in Elsipogtog that it has certainly come too late for that relationship. There has been no consultation advanced.

While it is true that fracking is a provincial responsibility, the federal environment commissioner, in his fall 2012 report, found that for the parts that are federal, such as tracking toxic chemicals used in fracking, Environment Canada did not even have a full list of those chemicals used, and it always remains a federal fiduciary responsibility to ensure that first nations' rights are not being infringed upon through resource development.

As for the question of going forward in British Columbia and my opposition to resource development, I do not oppose resource development. I oppose the reckless, untrammelled rapid development of oil sands for the sole purpose of shipping out raw product. If the bitumen were being processed in Alberta, I think our discussions would be very different. However, all pipeline proposals are for raw bitumen mixed with a diluent that has to be purchased from Saudi Arabia.

**Mr. Colin Carrie:** Mr. Speaker, as our government has stated repeatedly, we will ensure that aboriginal consultations fully meet our duty to consult and are open and meaningful. We will continue meeting with first nations groups to strengthen the ongoing dialogue between the federal government and first nations.

*Adjournment Proceedings*

Resource projects give aboriginal communities the potential to turn the high cost of isolation into a huge advantage of proximity. In fact, most mines and exploration properties in Canada are located within 200 kilometres of an aboriginal community. There are 400,000 aboriginal youth under the age of 15, representing a major wave of potential new entrants into the labour market, and over the next 10 years it is expected that Canada's resource sectors will need to hire thousands of workers.

The scale of economic activity is enormous and it is estimated that there is a potential of \$650 billion worth of major resource projects in Canada in the next decade. Such development would create thousands of new jobs. Right now, the resource industries make up about one-fifth of our national economy, creating and supporting

more than 1.8 million jobs across our great country. In addition to the good jobs they provide, the resource industries generate over \$30 billion in royalties and tax revenues, funds that support schools, hospitals, and other vital services for all Canadians, including aboriginal communities.

• (1855)

**The Acting Speaker (Mr. Barry Devolin):** 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 6:55 p.m.)

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