

OFFICIAL REPORT (HANSARD)

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Government Orders

[Government Orders]

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The Budget

Financial Statement of Minister of Finance

Ms. Ruby Dhalla (Brampton—Springdale, Lib.):

Mr. Speaker, I will be splitting my time with the member for Saint Boniface.

I rise today to speak to a budget which impacts many Canadians and my constituents of Brampton--Springdale.

It is striking how little attention has been paid in this budget to Canada's most vulnerable citizens. Listening to the Minister of Finance and the Prime Minister trumpet the principles of fiscal prudence has truly been an exercise in the art of deception considering that the Conservative government's own measures have put our nation on the verge of a deficit.

Governing is really about choices, and last week's budget clearly demonstrates that irresponsible economics over the past couple of years has created a budget that has left millions of Canadians out in the cold, including many of my constituents in Brampton.

On February 21, just days before the delivery of the budget speech, Statistics Canada reported that Canadian corporations earned record high operating profits of \$262.5 billion in 2007. Yet, systematic corporate tax cuts over the past two years have ensured that these record profits are not going to benefit the country as a whole, but rather a select group of shareholders whose financial portfolios probably do not need much assistance from the government.

It is clear that this budget has continued to ignore those who truly need the resources, the skills and the tools in our nation to succeed.

As the critic for social development, I am also acutely aware of the extreme void that exists for many Canadians who live at the lower end of the economic spectrum. We only have to look at the statistics which show that 11% of Canadians, or almost 3.4 million people, actually fall below Statistics Canada's low income cutoff.

There are 800,000 children living in poverty. It is a shame that this budget does nothing about raising the minimum wage, about creating a better plan for child care in this nation, or helping the most vulnerable.

The Conservative government has been systematically dishonest with regard to its so-called fiscal prudence over the past couple of years. Take for example the first budget that was delivered by the Minister of Finance in 2006, when a tax increase was described falsely as a tax cut.

Then there was last year's budget, which one well known Conservative columnist called "uncontrolled, unfocused, and above all, unconservative". This is in addition to the mini budget that was delivered this past November where the finance minister spoke glowingly about \$60 billion worth of tax cuts. Of course, for low income earners the tax savings resulted in a meagre 39¢ a day for a single individual and 25¢ for single parents. This is how the government has picked winners and losers when it comes to responsible fiscal management.

Now in 2008, after years of offering corporations and the richest tax breaks, the most favourable tax rates, and raising spending to record levels, the Minister of Finance is almost feeling his own crunch and is speaking again deceptively about fiscal restraint.

We all know that the tiny surpluses that have been predicted over the next two years are certainly not responsible and certainly not prudent when it comes to ensuring Canadians are able to maintain their economic security for the future.

Many segments of the Canadian national housing and homelessness programs are due to expire in the fiscal year 2007. We all know these critical issues have been ignored by the government and the budget.

Canada is one of the only industrialized countries in the world without a national housing program. Over 125,000 families in my home province of Ontario remain on the waiting list for affordable housing, and one in five children continues to live in poverty in this nation. There was absolutely no commitment by the federal government to renew those programs within the next 12 months.

If the government does not renew these programs, it is going to be leaving thousands of people who are living on sidewalks out in the cold. The government is going to be letting down the thousands of people who are relying on affordable housing programs.

In the budget, \$110 million was set aside for demonstration projects about homelessness and mental illness, indicating that the government clearly believes that this phenomenon is somehow in question. However, one only needs to talk to the stakeholders, the advocates, the activists, and the organizations across the country who are helping the most vulnerable to realize that we have a crisis when it comes to homelessness and when it comes to affordable housing.

(1230)

If the housing minister had bothered to show up at the first national summit of provincial and territorial housing ministers in Vancouver last month, the first since the Conservatives were elected, he would have heard about the Vancouver police study which showed that a shocking one-third of all calls coming into its organization related to mental illness and that police officers were having to serve as mental health councillors, something that is truly unjust.

He also would have heard about the report by the Wellesley Institute where over 1.5 million households, or almost 4.2 million men, women and children, were in a core housing need. Perhaps he

would have heard about the 300,000 Canadians who will experience homelessness over the course of this year.

Housing insecurity has a large personal cost which has led directly to increased illness and premature death. One recent study estimated that homelessness costs Canadians between \$4.5 billion and \$6 billion annually. Our country is in a crisis when it comes to these areas. Despite our economic surpluses and our economic prosperity, we have ignored the most vulnerable. This budget does absolutely nothing to help and reach out to them.

Nothing is in this budget to create child care spaces that families across this country so desperately need. There is absolutely nothing in this budget to address the growing crisis of poverty.

The budget provides dozens of new tax breaks, virtually all for corporations and investors, but does nothing to benefit our working Canadians. When we look at the tax-free savings account, which was supposed to be one of the highlights of the budget, we see that it is, once again, a tax measure for those who have the \$5,000 and therefore have the opportunity to invest the \$5,000. This will benefit people who are already making their maximum RRSP contribution. This tax-free savings account will do nothing to benefit low income families or single mothers in my constituency of Brampton—Springdale.

For the average person with moderate savings in a bank account or GIC, the tax saving on interest income will be minimal. However, high earners in a top tax bracket who are able to save \$5,000 year after year will be able to reinvest. The budget contains nothing for low income families in Canada.

Let us look at the manufacturing sector. In my riding of Brampton—Springdale, over 1,100 families and individuals have been impacted by layoffs. The budget's promise of a one-year extension in the tax break for investments for new equipment and machinery, followed by two more years of smaller tax breaks, will do nothing to benefit those families and those individuals who have lost their jobs.

We have seen almost 300,000 factory jobs disappear in Canada in the last few years. The money that has been promised to trickle down over the coming years falls very short of a comprehensive strategy and leadership that is needed to support those families, to support Canada's most vulnerable.

We could talk about the fact that this budget has ignored low income and vulnerable Canadians but one thing we can conclude is that the budget has clearly chosen winners and losers. It has clearly put a divide between the rich and those who are poor.

The government, unfortunately, has not provided the leadership or the vision, nor has it taken the actions necessary to ensure that people who are not as well off in our society have the opportunities, the resources, the skills and the tools they need to succeed: the women, the single mothers, the families who are not making much and young children.

We had hoped that in this budget there would have been investments of ensuring that we as a country continue to succeed for many years to come.

(1235)

(1240)

Ms. Ruby Dhalla:

Mr. Speaker, with all due respect for the member, if the Conservatives truly cared about Ontario and Ontarians, we would not have that Minister of Finance launching an attack on the province on a daily basis and saying that Ontario is the last place that any single business would ever want to invest. We

would have that Minister of Finance and that Conservative government showing some leadership and sticking up and standing side by side with Ontarians.

I would just remind the hon. member what the Canadian Manufacturers & Exporters said in regard to this budget. It said, "...the new measure concerning accelerated depreciation..." will not do. It went on to say that manufacturers were under the gun to innovate and that this measure, basically, would take the manufacturing industry back to where it started.

There has not been enough investment to help those Canadians who have lost their jobs.

Ms. Denise Savoie (Victoria, NDP):

Mr. Speaker, I would agree with my colleague when she says that there is nothing in this budget for the most vulnerable, for the poor, for day care and for women. There is no new money for affordable social housing or for renovating or retrofitting existing homes, nor is there a strategy to reduce homelessness. There are no tax incentives to build new rental housing. The only new money is for five pilot projects to study this very serious issue even further.

The member seems to be in violent disagreement with the Conservatives and yet the Liberals have indicated that they will vote for it. I do not understand the contradiction there and I was wondering if she could enlighten me.

Ms. Ruby Dhalla:

Mr. Speaker, the member is right when she says that this budget delivered absolutely nothing for the most vulnerable in our society. She mentions the three programs that have provided a tremendous amount of assistance to thousands of stakeholders and organizations: the affordable housing program, the homelessness partnership initiative and the residential rehabilitation assistance program. These programs are all due to expire at the end of fiscal 2007 but this budget has no commitment to renewing that funding.

As Liberals and as Canadians, we want to ensure that, as we go into an election campaign, we can continue to champion a particular issue. As Liberals, we will continue to fight for those issues and we will ensure that as a minority Parliament we will work to compromise, to collaborate, to fight and to advocate those issues that are important to Canadians.

Mr. Myron Thompson (Wild Rose, CPC):

Mr. Speaker, I have been here for 14 years and I have listened to these kinds of speeches delivered very eloquently, but then, in every case in the past, members certainly would not support the bill because of the way they spoke. I would assume from her speech that she dislikes this budget so much that she will be voting against it. That is, after all, the indication.

Will the member be voting against this budget or will this be a typical Liberal speech--

The Acting Speaker (Mr. Royal Galipeau):

The hon. member for Brampton—Springdale has 20 seconds left.

Ms. Ruby Dhalla:

Mr. Speaker, the only thing I can say is that there is absolutely no price to my vote. I hope the Conservatives are not putting a price to the vote of the Liberal Party because we will never have a price on our votes. We will do what is right for Canadians in building a richer, fairer and greener Canada.