

Text of PM Stephen Harper's June 2009 economic progress report

Last Updated: Thursday, June 11, 2009 | 11:28 AM ET [Comments13](#)[Recommend15](#)

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This is the prepared text of a speech Prime Minister Stephen Harper was set to deliver in Cambridge, Ont., on Thursday, June 11:

Bonjour Mesdames et Messieurs. Good morning ladies and gentlemen.

Thank you Gary for that warm introduction, and thank you for all your hard work as Canada's Minister of State for Science and Technology.

Thank you as well to Senator Duffy for serving as our master of ceremonies this morning. I believe you have some experience with this sort of thing.

And thank you everyone for taking the time to join me to discuss the challenges we face during this global recession.

Je sais que ce sont des temps difficiles pour de nombreuses familles canadiennes, celles qui sont touchées, directement ou indirectement, par le pire ralentissement de l'économie mondiale en un demi-siècle.

I know these are trying times for many Canadian families, those who have been affected, directly or indirectly, by the worst downturn in the world economy in half a century.

Canadians are concerned about their jobs, paying their bills, saving for their kids' education, and planning for their retirement. Small business owners are struggling, communities are hurting, and young people are worried about the future.

Je comprends ces vrais défis auxquels sont confrontées les familles canadiennes.

C'est pourquoi nous avons lancé le Plan d'action économique du Canada, qui contient nos mesures de relance pour aider les familles et les entreprises canadiennes à traverser les pires moments de la crise, et pour jeter les fondations pour que notre économie émerge plus forte que jamais.

Et nous faisons des progrès.

I understand these real challenges Canadian families face. That's why we launched Canada's Economic Action Plan our stimulus measures to help Canadian families and businesses get through the worst of the crisis, and to lay the groundwork for our economy to emerge stronger than ever.

And we are making progress.

Some signs of stabilization have been appearing in the world economy. And Canada's economic performance, though pulled down by the global recession, remains the best among all major developed countries.

Our Economic Action Plan is helping. Is making a real difference.

In March I updated Canadians on our efforts to cut bureaucratic and political red tape so the extraordinary stimulus measures in our Plan would start helping our economy right away.

Aujourd'hui, je suis ici pour vous annoncer que dix semaines seulement après le début de l'année financière, quatre-vingts pour cent du financement de notre Plan a été engagé et est mis en oeuvre partout au pays!

Today, I am here to announce that only 10 weeks into this fiscal year, fully 80 percent of our Plan's funding has been committed and is being implemented across this country!

These measures are creating and protecting jobs, building infrastructure, easing the tax burden on families, supporting Canadians who have lost their jobs, helping threatened industries, and laying the foundations for our future prosperity.

Combined with the actions taken by provinces and territories, Canada's economic stimulus this year and next is proportionally the largest of any country in the G7!

And we're implementing it faster than anyone too.

As one Canadian newspaper columnist marvelled this week, the unprecedented speed of our Action Plan is, quote, "the equivalent of hatching an egg in the morning and having chicken salad for dinner."

Ladies and gentlemen, as I have said before, Canada was the last G7 country dragged into the global recession. We have been the least affected. And we will ensure this country, Canada, emerges in the strongest position!

Now, let me take a few moments to update you on some key parts of our plan.

L'une de nos priorités premières, bien sûr, est de réaliser des projets d'infrastructure partout au pays.

Ces projets vont permettre non seulement de créer des emplois dans nos communautés dès maintenant, mais vont aussi aider à préparer le terrain de la croissance et de la prospérité futures du Canada.

Je suis heureux de vous signaler qu'il y a environ trois mille projets individuels, partout au pays, qui sont en train d'être réalisés.

Working with other levels of government, we have dramatically accelerated the planning, development and execution of infrastructure projects from coast to coast to coast.

These efforts are working. I am pleased to report that some 3,000 individual projects across the country are now getting underway — no small feat only 72 days into a new fiscal year.

Tendering, design and engineering work has begun on many large projects, comme le pont Champlain à Montréal, the Alexandra Bridge in Ottawa and the Burlington Lift Bridge.

And hundreds of smaller projects are already well underway, putting Canadian electricians, plumbers, roofers, lighting technicians, flooring contractors, and labourers back to work.

Let me highlight just a few projects:

- On May 20, our government announced that we are investing in the Summerside Wind Farm Project in PEI. We are partnering with the government of Premier Ghiz and the city to build two huge new wind turbines that will ultimately supply one quarter of Summerside's energy needs. The turbines are on order, and construction of their bases and the transmission lines is expected to begin this month. This project is creating jobs, boosting the local economy and lowering dependence on electricity from outside the province.
- Au Québec, nous avons formé un partenariat avec le gouvernement Charest pour améliorer les

infrastructures municipales d'alimentation en eau et de traitement des eaux usées. À elles seules, les améliorations à l'usine de filtration d'eau de Lévis vont doubler sa capacité actuelle et vont assurer une eau salubre et sécuritaire à cinquante mille personnes.

- In Yukon, we are partnering with Premier Fentie's government to build a new powerhouse at the Mayo hydro-electric generating station. This project will double power output without any new dams, reservoirs or flooding. And we are extending a transmission line to connect Yukon's two electrical grids. Ground clearing and engineering studies are getting underway this summer. At its height the project is expected to employ 350 people. When finished, it will reduce Yukon's dependence on diesel power by 40 percent, and cut greenhouse gas emissions by half.
- In British Columbia, we have joined with Premier Campbell's government to build the new Evergreen rapid transit line. This new line will ease commuting in Greater Vancouver's fast-growing northeast by removing up to 60,000 cars a day from local roads. Engineering and environmental work is getting started now, and when fully underway the project will create an estimated 8,000 jobs.
- Closer to home, right here in Cambridge, seven municipal buildings, the Preston Auditorium and local roads will all be rehabilitated starting this year thanks to our unprecedented infrastructure funding.
- Also here in Ontario, just down the 401, we are working with Premier McGuinty's government to support a huge expansion of the rapid transit system in the Greater Toronto Area. This includes increasing parking capacity for the GO Transit system, and building the Sheppard East light rail transit line, on which construction is set to begin next month.

In partnerships across the country, we are advancing other job-producing projects, like the Calgary ring road, upgrades to Sarnia's Blue Water Bridge border crossing, and Winnipeg's inland Centreport project, to name just a few.

From a pedestrian overpass in Surrey B.C. to the Weymouth Library in Weymouth, Nova Scotia; from community recreational facilities, to the Trans-Canada national trails system, these projects are creating jobs, helping families and communities, and paving the way for long-term economic growth.

In fact, this represents the largest infrastructure renewal effort in this country in over half a century!

But my friends, we're not just supporting big public infrastructure. We're also supporting the infrastructure that matters most to Canadian families — their homes.

Le Crédit d'impôt pour la rénovation domiciliaire et d'autres programmes offerts par notre gouvernement aident des dizaines de milliers de Canadiens dès maintenant à réparer leur toit, à rénover leur cuisine et à rendre leur maison plus efficace sur le plan énergétique.

Our government's Home Renovation Tax Credit and other programs are helping tens of thousands of Canadians right now to fix their roofs, renovate their kitchens and make their homes more energy efficient. So far, we've had 700,000 inquiries on these programs via email and telephone.

We're also helping Canadians invest in new homes, through the First-Time Home Buyers Tax Credit and the new Home Buyers' Plan. It's working, friends; housing starts were up by more than 10,000 last month.

Mesdames et Messieurs, alors que nous réalisons ces projets partout au Canada, nous n'oublions pas les Canadiens et les Canadiennes qui ont perdu leur emploi à cause de la récession mondiale.

Ladies and gentlemen, while we are rolling out projects across Canada, we are not forgetting Canadians who have lost their jobs due to the global recession.

One of the hardest things someone will ever go through, is walking in the front door of their home, and telling their family that they've lost their job.

Our goal, make no mistake about it, is to get those people working again. But, in the meantime, many are relying on Employment Insurance.

The first thing we've done, in this period of increased EI claims, is to take steps to ensure that Canadians receiving benefits get them as quickly as possible. As a result, since January, Canadians submitting new EI claims are now receiving their first cheques within 28 days, on average.

We've also enacted measures to strengthen the system for those who have long been paying in.

Nous avons prolongé de cinq semaines la période maximale de prestations d'assurance-emploi et nous offrons une aide spéciale aux travailleurs de longue date.

We've extended the maximum EI benefit period by five extra weeks and we are providing special assistance for long-tenured workers.

We are also putting more, a lot more into retraining programs.

The reality is that our economy is changing. Many older jobs will not come back. The jobs of tomorrow will be different and we want to make sure Canadian workers get those jobs.

We have also enhanced the EI work-sharing program. Since the beginning of this year, over 100,000 Canadians have benefited from this program. It assists workers who agree to work a little less so that they and their co-workers can stay on the job.

En tout, notre gouvernement va dépenser cinq milliards et demi de dollars de plus pour les prestations d'assurance-emploi cette année. Cinq milliards et demi de dollars de plus.

All told, our government will spend five and a half billion dollars more on employment insurance benefits for Canadians this year, five and a half billion dollars more.

The EI system is not perfect. We are looking at more improvements for the fall. But don't let anyone tell you that the EI system is not responding to the realities of the recession. It is — and we should be proud of that!

Cependant, Mesdames et Messieurs, notre Plan d'action économique va au-delà du chômage actuel et prévoit aussi des initiatives pour créer les emplois de l'avenir. Il contient des investissements massifs dans la recherche et le développement scientifiques, des investissements qui vont assurer l'avenir économique du Canada à long terme.

Ladies and gentlemen, our Economic Action Plan is also looking beyond today's unemployment and at the job creation of the future. And nothing is more focussed on Canada's long-term economic future than our massive investments in scientific research and development.

In fact, led by Minister Goodyear, we are investing proportionally more in R&D than any other G7 country. This year, the three main federal research granting councils will have four hundred million dollars more for projects than they did just three years ago.

Under our Economic Action Plan another two billion dollars is going into upgrading research labs and classrooms at universities and colleges across the country.

This includes:

- new internet labs at St. Francis Xavier University in Antigonish,
- upgraded chemistry, biological science and health innovation facilities at the University of Alberta,

- and expanded information and communication technology facilities at the University of Waterloo and Conestoga College, right here in "Canada's Technology Triangle."

We are also expanding rural broadband, upgrading Arctic research, and providing greater support for clean energy research. These investments and others not only stimulate economic activity today, they will also build the foundations of our economic future.

Cependant, nous concentrer sur l'avenir ne veut pas dire que nous oublions les industries traditionnelles du Canada. La récession mondiale touche durement ces industries et les familles et les communautés qui en dépendent. Et nous avons agi rapidement afin de les aider.

But focusing on the future does not mean we've forgotten Canada's traditional industries. The global recession has hit these industries and the families and communities that depend on them hard, and we have acted quickly to help.

As of June 1, three-quarters of the funds committed to supporting forestry, mining, tourism and agriculture are in place. This includes the billion-dollar Community Adjustment Fund, which is helping smaller single-industry communities to create jobs and to adapt to the markets of the future.

Au Québec, par exemple, le Fonds d'adaptation des collectivités crée quelque huit mille emplois de reboisement dans des régions qui ont subi des pertes d'emplois dévastatrices dans l'industrie forestière, notamment au Saguenay-Lac-Saint-Jean, en Abitibi-Témiscamingue, sur la Côte-Nord, et en Outaouais.

For the forestry sector, we are providing resources to boost market diversification and encourage innovation.

Pour aider l'industrie touristique, notre gouvernement contribue à diverses activités culturelles, dont douze festivals canadiens majeurs comme le Festival de jazz de Montréal et le Fringe Festival à Edmonton.

We have also stepped in to protect our farmers and fishermen. We are undertaking measures like:

- guaranteeing loans to help young farmers take over family farms,
- expanded slaughterhouse capacity for livestock producers,
- support for the lobster and salmon fisheries on the East and West Coasts,
- and upgraded commercial harbours for fishermen in every part of Canada.

Ladies and gentlemen, these are the industries that built this country and the communities they support are the very bedrock of this land. We want these industries around tomorrow, and that's why we'll continue to act to help our loggers, farmers and fishermen today!

Ladies and gentlemen, I could go on for some time. I haven't even talked about our efforts to expand the accessibility and affordability of credit, or the joint measures we are pursuing internationally, such as what we've had to do on the auto sector, for example.

But what I do want to talk about is the cost of all this. And that, of course, is the deficit.

Comme l'ont constaté tous les autres pays du G-20, dans les circonstances actuelles, un déficit est nécessaire. Et notre déficit sera considérable. Mais il est abordable. En fait, comparativement à celui d'autres pays, il est plutôt modeste.

As every other G-20 country has discovered, under the current circumstances, a deficit is necessary. And our deficit will be significant. But is affordable.

Because we paid down debt when times were good, we have kept our debt levels low and been able to do

more stimulus with a smaller deficit than any other G7 country,

As you can see from the overhead chart, our deficit and our debt in relative terms are a fraction of what they are in the other major economies.

Et nous avons réussi à faire ça tout en réduisant les taxes et les impôts.

And we've been able to do this while lowering taxes:

- We've taken two percentage points off the GST for all Canadians.
- We've lowered income taxes, particularly for low and middle income earners, permanently, during this recession to put money in people's pockets.
- We've provided a tax credit for all dependent children, and a \$1,200 a year benefit for families with pre-schoolers.
- We've brought in enhanced benefits for seniors, including, for the first time in Canadian history, income splitting, for the pensioners of this country.
- We're giving all Canadians the opportunity to earn tax-free income through Tax Free Savings Accounts.
- We've reduced taxes on businesses of all sizes; in fact, we will soon have the lowest statutory business tax rates in the G7.

Taxes are down so far, in fact, that Tax Freedom Day arrived on June 6 this year. That's three days earlier than last year and 19 days earlier than the year before we took office!

En tout, nous avons réduit le fardeau fiscal fédéral à son plus bas niveau en cinquante ans. Et, chers amis, c'est l'une des principales raisons pour lesquelles, si nous maintenons le cap, le Canada devrait sortir de cette récession plus tôt et plus fort que bien d'autres pays.

Taken together we have reduced federal taxes to their lowest level in 50 years!

And this is a big reason, my friends, why Canada should come out of this recession sooner and stronger than other countries.

But that all depends on staying on course. Stimulus spending must be temporary. It must end when the recession ends. And taxes must stay down and, when possible, go even lower.

On the other hand, every day in Parliament we face demands to change this course. We face demands from the Opposition to spend literally tens of billions of dollars more and to make stimulus spending permanent.

That would mean deficits that would not only be larger but permanent as well. And that would mean tax increases.

Tous les autres partis au Parlement croient toujours profondément en la vieille philosophie de dépenser plus et de taxer plus.

En fait, c'est ici même, à Cambridge, que le chef de l'opposition a dit sans équivoque qu'il va augmenter les taxes et les impôts des Canadiens. C'est une position que notre gouvernement conservateur ne va pas envisager.

All the other parties in Parliament still believe, in their hearts, in the old philosophy of tax and spend. Every week they bemoan the fact that we cut the GST, that we cut business taxes, that we won't raise payroll taxes, and that we haven't imposed a carbon tax.

In fact, it was right here, in Cambridge, that the Leader of the Opposition said unequivocally that he will raise

taxes.

Let me be clear about this, ladies and gentlemen, raising taxes to pay for higher permanent government spending is a valid political option. But it is one that our Conservative government will not entertain.

I also believe that, right now, it would be a mistake of historic proportions. It would rob Canada of the opportunity that lies before us; to be the best platform from which to do business in North America, to be the best place in the world to invest.

Only in Canada have we avoided nationalizing banks and raising taxes. Only in Canada have we maintained a solid long-term fiscal position with no threat of widespread deflation now or renewed inflation later. And only in Canada have we focussed almost exclusively on using short-term spending to support long-term economic growth.

We are on the right course. The only thing that can get us off course now is needless political instability.

Of course, we will do our best to listen to good ideas that can help us during this recession.

But we will not do things that we know will harm the country in the long run.

Stay on course. Keep spending temporary and taxes down and Canada will remain: the last G7 country into this recession, the least affected, and the strongest in the world coming out!

Mes amis, seulement soixante-dix jours après le début de la nouvelle année financière, les mesures sans précédent que nous prenons grâce à notre Plan d'action économique commencent à produire des résultats.

Les effets de la récession commencent à s'atténuer. Et les points forts du Canada commencent à être remarqués au delà de nos frontières.

Friends, only 72 days into this new fiscal year, the unprecedented measures undertaken in our Economic Action Plan are starting to show some results. The effects of the recession are beginning to ease. And Canada's strengths are being noticed beyond our borders.

The World Economic Forum has called the Canadian banking system the soundest on earth. The IMF has said our financial sector has shown "remarkable stability amid the global turbulence, thanks in good part to strong supervision and regulation." A recent article in the Washington Post called us "The Great Right North."

Et le quotidien Le Monde a publié un article intitulé: "Le Canada est riche de ressources naturelles et de sagesse budgétaire."

Chers amis, maintenant, plus que jamais, nous devons garder le cap.

Now, more than ever, we must stay the course.

Governments at all levels must continue to focus on the economy, on moving Canada's Economic Action Plan through to completion.

In short, we must persevere, as Canadians have done throughout our history to overcome countless challenges. That is why I am so confident we will emerge from this crisis as we have from all the others, stronger, better, and more prosperous than ever.

Merci beaucoup.

Thank you.