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Wednesday, November 22, 2017

The Honourable GEORGE J. FUREY,  
Speaker

## CONTENTS

(Daily index of proceedings appears at back of this issue).

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## THE SENATE

Wednesday, November 22, 2017

The Senate met at 2 p.m., the Speaker in the chair.

[*Translation*]

Prayers.

### BATTLE OF PASSCHENDAELE

[*Translation*]

#### ONE HUNDREDTH ANNIVERSARY

## SENATORS' STATEMENTS

### PROSTATE CANCER

**Hon. Ghislain Maltais:** Dear colleagues, as you can see, today I am wearing a little bowtie that means a lot. November 19 was prostate cancer awareness day in Quebec. Prostate cancer is the most common cancer in men. It usually progresses slowly, but it remains fatal all the same. The disease is treatable if diagnosed early, and today's advanced techniques produce extremely accurate diagnoses. Thanks to research and early, effective treatment, the five-year survival rate is now 96 per cent, which is why screening is so important.

Dear colleagues, hundreds of men in Quebec currently have prostate cancer. Research is funded not by governments but by donations from the public and philanthropists. The proceeds of the sale of this bowtie, created by renowned Quebec fashion designer Philippe Dubuc, will support researchers affiliated with four large Quebec City hospitals. I would like to take this opportunity to thank and congratulate the founders, Jean-François Letarte, Pierre Cadrin, and Stéphane Turcotte of Mantra Pharma, who are participating in this fundraising campaign.

By buying a bowtie, we can help save lives. Dear colleagues, none of us is getting any younger, so I encourage you to have your prostate checked regularly. After all, an ounce of prevention is worth a pound of cure. Thank you.

[*English*]

### VISITORS IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I wish to draw your attention to the presence in the gallery of Jack Baranoff, accompanied by his parents Donna Greenspon and Steven Baranoff. They are the guests of the Honourable Senator Housakos.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

**Hon. Senators:** Hear, hear!

**Hon. René Cormier:** Honourable colleagues, lately, my thoughts in this chamber have turned to the people who serve their country with faithful love and affection, who give their best in service of the women and men of this nation, and who make this ultimate sacrifice of giving their lives, or the life of their son, daughter, husband or wife, so their fellow citizens can have a better life.

[*English*]

About 10 days ago, I had the privilege of representing the Senate of Canada at the commemorative events for the one hundredth anniversary of the Battle of Passchendaele in Belgium.

With some of our colleagues from the other chamber, young Canadians, soldiers and veterans, I had the great honour of setting foot where many Canadians died for peace during the Great War.

[*Translation*]

The Canadian soldiers who fought at Passchendaele overcame unimaginable hardships to achieve victory on that brutal and muddy field of battle. More than 4,000 Canadians lost their lives, and nearly 12,000 more were injured. It takes a great deal of courage, compassion, and love to serve one's country so selflessly.

[*English*]

Today, I want to pay tribute to Alex Decoteau, Canada's first Aboriginal Canadian police officer and a Cree soldier during the First World War, and to Mrs. Colleen Fitzpatrick, mother of a fallen soldier and the recipient of the 2016 Silver Cross Mother who was also with us in Belgium. Her son Darren died in Afghanistan a few years ago, and she has since remarkably transformed this tragedy into positive action for her community.

[*Translation*]

Just a few days ago, we lost one of our dear colleagues, the Honourable Tobias C. Enverga Jr. One of his travelling companions in Colombia said of him, and I quote:

[*English*]

He was a person who always smiled and put a lot of effort into his work. He was a happy soldier that worked on hard in the trenches.

[Translation]

In honour of him, his family, and all those who live and breathe public service, I will conclude by quoting a few verses from the Canadian poet John McCrae, because art is always an excellent way to share memories and comfort the heart and soul:

[English]

*In Flanders Fields the poppies grow  
Between the crosses, row on row,  
That mark our place: and in the sky  
The larks still bravely singing fly  
Scarce heard amid the guns below.  
We are the dead: Short days ago,  
We lived, felt dawn, saw sunset glow,  
Loved and were loved: and now we lie  
In Flanders fields . . .*

• (1410)

[Translation]

### THE HONOURABLE SERGE JOYAL, P.C.

#### CONGRATULATIONS ON SAMUEL CHAMPLAIN AWARD

**Hon. Joseph A. Day (Leader of the Senate Liberals):** Honourable senators, this year marks the 100th anniversary of the Battles of Vimy Ridge and Passchendaele, and the Institut France-Canada has decided to present the Samuel de Champlain award to three recipients. One of our colleagues was one of those recipients and was presented with the award last week.

Created in 1997 by the Institut France-Canada, the Canadian section of the Cercle France-Amériques, with support from the Macdonald Stewart Foundation, the Samuel de Champlain award is presented each year to a Canadian and a French citizen who have helped disseminate their respective cultures to French and Canadian publics.

Over the years, our colleague has earned a reputation for being passionate about law, history and culture. His hard work and dedication are plain to see in several of his works, including *Le mythe de Napoléon au Canada français and France-Canada-Québec: 400 ans de relations d'exception*. More recently, he published *Le Canada et la France dans la Grande Guerre 1914-1918*, a book he co-authored with Serge Bernier, who was also a recipient of the Samuel de Champlain award this year. The third recipient was Laurent Veysière, who did a tremendous amount of work in commemorating the Battle of Vimy Ridge.

Honourable senators, please join me in congratulating Senator Serge Joyal and the two other recipients of the Samuel de Champlain award.

**Hon. Senators:** Hear, hear!

[English]

### THE LATE MURRAY BERNARD KOFFLER, O.C., O.ONT.

**Hon. Linda Frum:** Honourable senators, it is with a heavy heart that I rise today to pay tribute to the life of Murray Koffler, one of Toronto's best-known entrepreneurs and philanthropists, who died on November 5, 2017, at the age of 93.

Murray was the child of Leon and Ernestina Koffler, Jewish immigrants from Romania who began a small drugstore chain known as Koffler's Drugs in the early 20th century.

Following the untimely death of his father, Leon, Murray, at the age of 17, was tasked with operating the family business while completing his studies at the Ontario College of Pharmacy.

Eventually, that small family business grew into the mega corporation known today as Shoppers Drug Mart. As CEO of Shoppers Drug Mart, Murray Koffler transformed the retail drugstore industry in Canada, championing a customer-first mentality that led to the self-service approach to drugstores that we are all familiar with today.

In 1968, Murray oversaw the merger of Shoppers Drug Mart with Plaza Drugs, expanding his drugstore chain to 50 stores. Today, there are over 1,200 Shoppers Drug Mart retail stores, located in almost every city and town from coast to coast to coast.

Murray Koffler's business success was not limited to drugstores. As a founding director of the Four Seasons Hotel in Toronto, Murray was also involved in the development of yet another iconic Canadian business success story.

However, Murray Koffler was not only a gifted businessman; he was a man with a highly evolved sense of community responsibility, and he distinguished himself as one of Toronto's leading philanthropists. Murray Koffler recognized the important leadership role that the drug industry needed to fulfill in the education of young people about the dangers of drug abuse. It was due to this responsible approach that he co-founded Canada's Council on Drug Abuse.

Murray Koffler's other significant philanthropic contributions included the creation of the Koffler Centre of the Arts in Toronto, the Koffler Student Services Centre and Koffler Scientific Reserve at the University of Toronto, the Murray Koffler Urologic Wellness Centre at Mount Sinai Hospital in Toronto and the Koffler Accelerator in Israel. He was a co-founder of Temple Emanu-El synagogue in Toronto and provided significant support for the Toronto Outdoor Art Exhibition, the Toronto Symphony and the Weizmann Institute of Science in Israel. In 1996, Murray Koffler was recognized for his extraordinary contributions to Canada by being named an officer of the Order of Canada.

I ask all honourable senators to join with me in remembering Murray Koffler, his remarkable life, his outstanding achievements and his enormous contributions to Canada as we send our sympathies to his wife, Marvella, and their five children and 18 grandchildren. Murray's legacy will live on for many generations to come. May his memory be a blessing.

### THE LATE JOHN DAVIDSON

**Hon. Gwen Boniface:** Honourable senators, this past Sunday, people from Abbotsford, British Columbia, the United Kingdom and all across Canada and the United States gathered to mourn the loss of Constable John Davidson of the Abbotsford Police Department, who was killed in the line of duty on November 6.

Constable Davidson was remembered for his work in the United Kingdom, where the 53-year-old began his 24-year policing career. His dedication to the community was evident in his work with the organization Cops for Cancer, a nine-day cycling fundraiser for children's cancers; for his outreach to local students, educating them on the risks of drug abuse, a project for which he was given a provincial crime award; and for his work on reducing impaired driving.

Colleagues and friends remarked on his kindness and compassion, traits he exuded even when he was handing out tickets.

Chief Constable Bob Rich, of the Abbotsford Police Department, had this to say of his fallen officer:

We train our police officer, we ask our police officers that when somebody is putting people's lives in danger . . . the first person in goes. John Davidson was the first person in, and away he went, and he died protecting you and me.

Constable Davidson is survived by his wife, Denise, and three adult children, Dina, Fay and Drew.

Today, I ask you to remember all officers who have given their lives in the line of duty and to send our appreciation and support to those who continue to serve the people of this great country.

### NATIONAL DAY OF THE CHILD

**Hon. Kim Pate:** Honourable senators, I want to begin by first expressing my condolences to the family, friends and colleagues of Senator Enverga, with whom we all served here. Words fail to adequately convey the impact of sudden and permanent departures from our midst. Among his interests, Senator Enverga championed the rights of children, particularly those with disabilities.

Today, I would also like to point out that Monday was International Children's Day, and, yesterday, the release of Campaign 2000's 2017 report card on child and family poverty reminded us of the urgent need for a new social contract and a pan-Canadian action plan to not merely reduce the harms of poverty but to eradicate poverty, homelessness, food insecurity but also the manner in which such inequalities are disproportionately exacerbated by race, gender, class and disabilities.

We know that it is those rendered most unequal who are most at risk of being victimized and criminalized. We need look no further than the report and calls to action of the Truth and Reconciliation Commission or the Inquiry into Missing and Murdered Indigenous Women and Girls for these realities. The tabling of the Auditor General's report yesterday also makes

clear that, in addition to being the fastest-growing prison population, women and girls, particularly those who are indigenous or otherwise racialized and those with disabling mental health issues, are also being failed by the prison system.

We, in the Senate, have the privilege and responsibility to initiate discussions and actions aimed at addressing the racial, gendered, social and economic inequalities that prevent our country, a nation rich in human and natural resources, from being the world leader in human rights and social development. I look forward to continuing this work with each and every one of you.

• (1420)

## ROUTINE PROCEEDINGS

### PARLIAMENTARY BUDGET OFFICER

*FALL ECONOMIC STATEMENT 2017:  
ISSUES FOR PARLIAMENTARIANS—REPORT TABLED*

**The Hon. the Speaker:** Honourable senators, I have the honour to table, in both official languages, the report of the Office of the Parliamentary Budget Officer, entitled *Fall Economic Statement 2017: Issues for Parliamentarians*, pursuant to the *Parliament of Canada Act*, R.S.C. 1985, c. P-1, sbs. 79.2(2).

[Translation]

### AUDITOR GENERAL

2017 FALL REPORTS TABLED

**The Hon. the Speaker:** Honourable senators, I have the honour to table, in both official languages, the Fall 2017 Reports of the Auditor General of Canada to the Parliament of Canada, pursuant to the *Auditor General Act*, R.S.C. 1985, c. A-17, sbs. 7(3).

### TAXPAYERS' OMBUDSMAN

2016-17 ANNUAL REPORT TABLED

**Hon. Peter Harder (Government Representative in the Senate):** Honourable senators, I have the honour to table, in both official languages, the annual report 2016-17 of the Taxpayers' Ombudsman, entitled *Fairness: A Right, not a Privilege*.

**THE ESTIMATES, 2017-18**NOTICE OF MOTION TO AUTHORIZE NATIONAL FINANCE  
COMMITTEE TO STUDY SUPPLEMENTARY ESTIMATES (B)

**Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate):** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) for the fiscal year ending March 31, 2018; and

That, for the purpose of this study, the committee have the power to sit even though the Senate may then be sitting, and that rule 12-18(1) be suspended in relation thereto.

[*English*]

**BUDGET IMPLEMENTATION BILL, 2017, NO. 2**NOTICE OF MOTION TO AUTHORIZE CERTAIN  
COMMITTEES TO STUDY SUBJECT MATTER

**Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate):** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, in accordance with rule 10-11(1), the Standing Senate Committee on National Finance be authorized to examine the subject matter of all of Bill C-63, A second Act to implement certain provisions of the budget tabled in Parliament on March 22, 2017 and other measures, introduced in the House of Commons on October 27, 2017, in advance of the said bill coming before the Senate;

That the Standing Senate Committee on National Finance be authorized to meet for the purposes of its study of the subject matter of Bill C-63 even though the Senate may then be sitting, with the application of rule 12-18(1) being suspended in relation thereto; and

That, in addition, and notwithstanding any normal practice:

1. The following committees be separately authorized to examine the subject matter of the following elements contained in Bill C-63 in advance of it coming before the Senate:
  - (a) the Standing Senate Committee on Banking, Trade and Commerce: those elements contained in Divisions 2, 4, 5, 6, 10 and 12 of Part 5;
  - (b) the Standing Senate Committee on Energy, the Environment and Natural Resources: those elements contained in Division 7 of Part 5;

(c) the Standing Senate Committee on Legal and Constitutional Affairs: those elements contained in Division 11 of Part 5;

(d) the Standing Senate Committee on Social Affairs, Science and Technology: those elements contained in Division 8 of Part 5;

2. The various committees listed in point one that are authorized to examine the subject matter of particular elements of Bill C-63 be authorized to meet for the purposes of their studies of those elements even though the Senate may then be sitting, with the application of rule 12-18(1) being suspended in relation thereto;
3. The various committees listed in point one that are authorized to examine the subject matter of particular elements of Bill C-63 submit their final reports to the Senate no later than December 12, 2017;
4. As the reports from the various committees authorized to examine the subject matter of particular elements of Bill C-63 are tabled in the Senate, they be placed on the Orders of the Day for consideration at the next sitting; and
5. The Standing Senate Committee on National Finance be simultaneously authorized to take any reports tabled under point four into consideration during its study of the subject matter of all of Bill C-63.

**THE SENATE**NOTICE OF MOTION TO AFFECT QUESTION PERIOD  
ON NOVEMBER 28, 2017

**Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate):** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, in order to allow the Senate to receive a Minister of the Crown during Question Period as authorized by the Senate on December 10, 2015, and notwithstanding rule 4-7, when the Senate sits on Tuesday, November 28, 2017, Question Period shall begin at 3:30 p.m., with any proceedings then before the Senate being interrupted until the end of Question Period, which shall last a maximum of 40 minutes;

That, if a standing vote would conflict with the holding of Question Period at 3:30 p.m. on that day, the vote be postponed until immediately after the conclusion of Question Period;

That, if the bells are ringing for a vote at 3:30 p.m. on that day, they be interrupted for Question Period at that time, and resume thereafter for the balance of any time remaining; and

That, if the Senate concludes its business before 3:30 p.m. on that day, the sitting be suspended until that time for the purpose of holding Question Period.

[Translation]

## ADJOURNMENT

### NOTICE OF MOTION

**Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate):** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, when the Senate next adjourns after the adoption of this motion, it do stand adjourned until Tuesday, November 28, 2017 at 2 p.m.;

That committees of the Senate scheduled to meet on that day be authorized to sit even though the Senate may then be sitting and that rule 12-18(1) be suspended in relation thereto; and

That rule 3-3(1) be suspended on that day.

## YUKON ENVIRONMENTAL AND SOCIO-ECONOMIC ASSESSMENT ACT

### BILL TO AMEND—FIRST READING

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-17, An Act to amend the Yukon Environmental and Socio-economic Assessment Act and to make a consequential amendment to another Act.

(Bill read first time.)

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

(On motion of Senator Harder, bill placed on the Orders of the Day for second reading two days hence.)

[English]

## CANADA REVENUE AGENCY ACT

### BILL TO AMEND—FIRST READING

**Hon. Percy E. Downe** introduced Bill S-243, An Act to amend the Canada Revenue Agency Act (reporting on unpaid income tax).

(Bill read first time.)

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

(On motion of Senator Downe, bill placed on the Orders of the Day for second reading two days hence.)

[Translation]

## CANADIAN NATO PARLIAMENTARY ASSOCIATION

### PARLIAMENTARY TRANSATLANTIC FORUM, DECEMBER 5-6, 2016 —REPORT TABLED

**Hon. Joseph A. Day (Leader of the Senate Liberals):** Honourable senators, I have the honour to table, in both official languages, the report of the Canadian Delegation of the Canadian NATO Parliamentary Association respecting its participation at the Parliamentary Transatlantic Forum, held in Washington, D.C., United States of America, on December 5 and 6, 2016.

• (1430)

[English]

## QUESTION PERIOD

### NATIONAL REVENUE

#### CALL CENTRE PERFORMANCE

**Hon. Larry W. Smith (Leader of the Opposition):** My question is for the Leader of the Government in the Senate, concerning Chapter 2 of yesterday's Auditor General's report, which dealt with Canada Revenue Agency call centres.

The Auditor General found that the CRA blocks more than half — that's 50 per cent — of the calls it receives, or about 29 million calls out of 53.5 million. These callers were met with either a busy signal or a message to go to the website or call back later. Between March 2016 and March 2017, CRA answered only about 36 per cent of the calls it received.

As I pointed out previously, Type 1 diabetics are being denied coverage under the Disability Tax Credit. Also, local businesses and farmers have been worried about the uncertainty generated by the government's proposed tax changes.

Senator Harder, when these middle-class Canadians contact their government looking for answers, why is the Canada Revenue Agency blocking their calls?

**Hon. Peter Harder (Government Representative in the Senate):** I thank the honourable senator for his question. I also thank the Auditor General for his work generally, but particularly on this report, because I think he would agree that all Canadians deserve a fair, user-friendly tax system that responds appropriately to their needs. The Auditor General has identified absolutely some problems, which the government has sought to address in the investment being made, announced in 2016, of an additional \$50 million to improve the call centres' performance.

Clearly, there is further work to be done. That \$50 million is over a four-year period, so that work is being implemented as we speak. The minister has made a public commitment to improve the performance of the call centres. The CRA has hired more

agents, increased self-serve options and extended waiting times so that more callers can speak with an agent instead of receiving a busy signal, but there is more work to be done here.

**Senator Smith:** Thank you, sir, for the answer. Just as a supplementary, the Auditor General's report also found that when callers do get through to CRA officials, they are provided with inaccurate information almost 33 per cent of the time — one third of the time. This could lead to ordinary middle-class Canadians paying too much or too little tax, being subjected to reassessments or not receiving benefits that they're entitled to collect. Yet when the revenue chair of the Liberal Party of Canada is named in the Paradise Papers for tax avoidance, the Prime Minister quickly states he is satisfied with the explanation provided by his friend.

I have asked this of the government leader before, and I will ask it again: Is this the tax fairness promised to Canadians in the last election?

**Senator Harder:** Again, I thank the honourable senator for his supplementary. Let me simply reassure all senators that the approach this government is taking to CRA reform is to enhance its capacity to perform its obligations for fair and accurate engagement with taxpayers. That is why, as I say, the \$50 million was announced in the 2016 Budget and is being implemented. The CRA has implemented ramped-up training sessions for the staff so that they're better able to respond to questions. The Auditor General has identified inefficiencies and inadequacies, all of which the government recognizes and is taking steps to improve.

## FINANCE

### MINISTER OF FINANCE

**Hon. David Tkachuk:** My question is for the Government Leader in the Senate. The government leader has previously told us that the Minister of Finance has worked diligently with the Conflict of Interest and Ethics Commissioner. I would like to point out that although the minister made the Ethics Commissioner aware of his French villa, the minister did not disclose the existence of the offshore private corporation that owns the villa, which has been incorporated since 2007. As a result, the Minister of Finance has been issued a notice of violation of the Conflict of Interest Act by the Ethics Commissioner and fined \$200.

Could the government leader tell us why it took two years for the Minister of Finance to disclose that private corporation to the Ethics Commissioner?

**Hon. Peter Harder (Government Representative in the Senate):** Again, I want to thank the honourable senator for his question and take the occasion to assure all Canadians and certainly senators in this place that the Minister of Finance has worked diligently with the Ethics Commissioner and has followed her recommendations and advice, including having a screen in place, as that was the best measure of compliance recommended by the commissioner.

As senators will know, the minister has, in accordance with discussions with the commissioner, also ensured that the minister's family holdings in Morneau Shepell have now been sold. The difference in the value of his holdings in this company from October 19, 2015, to the date of the sale have been donated to the Toronto Foundation. Clearly, the minister is taking every step that is appropriate to ensure he is in compliance with the ethics obligations of all ministers.

**Senator Tkachuk:** I know what you're saying, but it's hard to believe that someone would forget about a villa in France.

What else is the Minister of Finance hiding from Canadians, and why has he refused to disclose the contents of his other private numbered corporations?

**Senator Harder:** Again, I want to assure all senators that the minister is working diligently with the Ethics Commissioner to ensure compliance.

## NATIONAL REVENUE

### INFORMATION TRANSPARENCY

**Hon. Percy E. Downe:** Colleagues, yesterday we saw another example of how the Canada Revenue Agency tries to mislead Canadians, and there have been numerous examples over the years. It must be very disheartening for the conscientious employees of the department to have a management team that does this on a regular basis and somehow thinks it's useful.

Yesterday, the Auditor General found out that the CRA has been claiming for a number of years that 90 per cent of calls to their centre are answered within the two-minute time frame. What he found out after a detailed investigation is that the figure is actually 34 per cent, because they either hang up on you or divert you to an automatic system, so people have to call back.

Last week, we had the CRA saying they invested \$1 billion, which is the amount the government had given them. We found out they spent less than \$40 million. They talk about new investment units, none of which have added any dollars or just consolidation of what they have.

Earlier today, I introduced a bill that will require the Canada Revenue Agency to give the Parliamentary Budget Officer the information he needs to calculate the tax gap, which I've been asking the Parliamentary Budget Officer to do for five years. Numerous countries around the world do it.

Why won't the government simply instruct the CRA to cooperate with the Parliamentary Budget Officer, follow the law, give the raw data and let Canadians know the truth of what the agency is doing or not doing?

**Hon. Peter Harder (Government Representative in the Senate):** I thank the honourable senator for his question and for his ongoing work on these matters. I look forward to reading this bill, and I hope we can have an early debate.



## CANADA CHILD BENEFIT

**Hon. Percy E. Downe:** I understand there is a long list, but I will be brief today.

Not only is the leadership of the CRA misleading Canadians, the agency management lacks common sense. We found out earlier this year, for example, that the revenue agency required people who are in abusive relationships and who have been moved to shelters, predominantly women with children, in order to qualify for the Canada Child Benefit, to get their abuser to co-sign the form.

Has that been changed?

**Hon. Peter Harder (Government Representative in the Senate):** I thank the honourable senator for raising this matter. Let me confirm that. My understanding is that it has changed, but I will confirm. I don't want to mislead the chamber.

## PUBLIC SAFETY

## CITIZENS INVOLVED IN FOREIGN TERRORIST ACTIVITIES

**Hon. Pamela Wallin:** To the Government Representative, according to the Minister of Public Safety, about 60 Canadian ISIS terrorists have returned to Canada, with the possibility of more than 100 to come.

General Mike Day, the former head of Canada's special forces, says it is absurd to think we can re-educate and reintegrate these people, as the minister suggested Canada would try to do. We know many of these people have committed atrocities, including murder, beheadings and gang rape, but it is hard to collect evidence in a war zone, as we well know.

• (1440)

So I have a couple of questions: Are these terrorists being detained and investigated before they return to Canada? What is our policy on that? If not, are they being detained and investigated once here and before they are released back into society? Finally, do the security services have the resources to track and monitor these people who are now on Canadian soil?

**Hon. Peter Harder (Government Representative in the Senate):** Again, I thank the honourable senator for her question. It's a very serious matter that she raises and I want to be specific in my responses so I will, with the agreement of the senator, refer to a number of measures.

Before I do that, let me say that I have visited terrorist retraining centres in the Middle East where there is an attempt being undertaken to retrain and otherwise bring back into normal society young men who have clearly participated in horrendous events.

This is not a phenomenon that exists only in Canada. It is also a phenomenon across the world, and we need to coordinate our actions and participate as a country in combating the recidivism that is always available to these extremists.

Canada participates in a number of anti-terrorist activities overseas with like-minded countries to ensure better protection for our citizens. The government uses tools such as the passenger protection program, cancelling and revoking visas and laying criminal charges where appropriate. The Government of Canada obviously, through its agencies, is carefully monitoring the trends in extremist travel, and our national security agencies work together to ensure our response reflects the current risk environment.

As senators will know, this is a priority that we particularly coordinate amongst the G7, where the ministers of the interior such as Minister Goodale are working to address the common issue of returning foreign fighters. This work among our international allies will inform practical recommendations for front-line practitioners on issues such as multi-agency cooperation, risk assessment and possible interventions that can be used to disengage terrorist activity and promote reintegration.

The government has launched a Canada Centre for Community Engagement and Prevention of Violence to help ensure that resources are in place to facilitate disengagement from violent ideologies. We are, as a government in Canada, particularly concerned with respect to children who return from conflict zones requiring more specifically tailored support to disengage and recover from their experiences.

The Canada Centre is providing policy leadership and support to local initiatives to help prevent radicalization in the first place. Minister Goodale has been an active leader in the coordination of G7 actions in this area.

**Senator Wallin:** I realize that I probably should have given you notice on this question, but I will therefore ask you this way: Do we actually have a policy of detaining and investigating before we go, separate and apart or in coordination with other allies? What exactly happens when they land back here?

This is a matter of public safety. I'm just trying to figure out where they go and what happens.

**Senator Harder:** I will undertake to do so.

## CANADIAN HERITAGE

## MUSEUM COLLECTIONS

**Hon. Patricia Bovey:** This is to the government leader in the Senate, and it is a question that I would have posed to Minister Joly had we had the opportunity.

The minister recently presented a new cultural policy primarily focused on digital issues and access, and the document very briefly noted the importance of museums and galleries. Digital access is important for information, introducing ideas and objects, and as an aide-mémoire. But museums and galleries have been proven by studies to be the most trusted organizations in today's society.

When will the minister work with the museological community to develop a new Canadian museums policy recognizing the collections of real objects held in the public trust, their research and public engagement with these “real” treasures of today and the past?

**Hon. Peter Harder (Government Representative in the Senate):** I will undertake to have the minister respond to your questions.

## NATIONAL DEFENCE

### COMPENSATION FOR CIVILIAN EMPLOYEES— CHALK RIVER DECONTAMINATION

**Hon. Nancy Greene Raine:** My question is for the Leader of the Government in the Senate.

Senator Harder, in 1952 and 1958, there were two serious accidents at the Chalk River nuclear reactor. In 2008, the government decided on a special compensation for personnel of the Canadian Armed Forces and employees of the Department of National Defence who assisted in the decontamination work, but civilian volunteers and employees were excluded from this compensation.

In March 2016, the Senate unanimously passed a motion calling on the government to offer similar compensation to the excluded civilians who, it should be noted, were the first on the scene to begin the cleanup and faced the highest risk.

Senator Harder, to date — more than 18 months later — we still have not heard that those civilians will be compensated. When will the government rectify this unjust situation and establish a program to compensate civilians who assisted in decontamination work at the nuclear reactor in Chalk River? I might add that this was brought to my attention by the child of one of those people who is dying of cancer.

**Hon. Peter Harder (Government Representative in the Senate):** Again, I thank the honourable senator for bringing this to my attention. I share the concerns that the honourable senator has passed on with respect to persons affected.

Let me simply undertake to determine the situation with respect to the government’s intentions and report back.

[Translation]

## JUSTICE

### LEGALIZATION OF CANNABIS

**Hon. Pierre-Hugues Boisvenu:** My question is also for the Leader of the Government in the Senate. For months, leader, police officers, experts, and the provinces have sounded the alarm on the government’s haste to pass the legislation on legalizing marijuana. Now the indigenous communities are echoing that concern.

[ Senator Bovey ]

Today on Radio-Canada there was a program on drug use in indigenous communities across Canada. We learned that community members were using drugs as early as age seven or eight.

The chief of the Obedjiwan said, and I quote:

This is disastrous for us. There is going to be increased drug use and greater access for children.

My question is simple. Knowing that this bill will pass far too soon for many of these communities, why won’t the government postpone marijuana legalization, given that its initiative will cause harm, that the suicide rate and school dropout rate will go up in these communities, and that children’s lives are at risk? Why won’t the government listen to these communities?

[English]

**Hon. Peter Harder (Government Representative in the Senate):** I thank the honourable senator for his question. Bill C-45 is being debated in the other place, and I expect that when it arrives here it will receive appropriate Senate scrutiny, including the questions that the honourable senator raises.

Senators will know that Bill C-46 is before the Senate, and I look forward to scrutiny of its intention as well as hearing from Canadians in the committee process, both with Bill C-45 and Bill C-46, so the concerns that you address can be ventilated and appropriately discussed, and senators can make a judgment.

[Translation]

**Senator Boisvenu:** Leader, as the government representative in the Senate, considering that the rushed marijuana legislation in Canada will cause harm — to children, no less —, can you assure us that you will try to convince your government of the need to delay implementation of this bill, which is due to come into force on July 1, 2018? That is what police officers, the provinces, and now the communities are calling for.

• (1450)

[English]

**Senator Harder:** No, I cannot give that assurance. The Government of Canada is working with the appropriate authorities in provinces and municipalities to ensure appropriate preparedness for legislation that has not yet reached a conclusion. I would anticipate that the issues of implementation will be amongst those that we discuss when the relevant issue is before us.

[Translation]

## TRANSPORT

### NATIONAL SHIPBUILDING STRATEGY

**Hon. Dennis Dawson:** My question is for the Leader of the Government in the Senate. The mayor of Quebec City, Régis Labeaume, has added his voice to the coalition that is emerging in Quebec in support of the Davie shipyard — or the new Davie,

as Quebecers now call it, not the Davie of old that delivered late and over budget. No, the new Davie has proven that it is possible to deliver on time and on budget. In fact, the *Asterix* supply ship that was just delivered will be the Canadian navy's largest vessel. Can the leader tell this chamber whether these efforts will be compensated and whether the government will go ahead with the construction of a second supply ship?

[English]

Last night, I was at the Navy and Coast Guard event, and people were asking me what my government is doing. I had to explain that even though I am obviously still a Liberal, I am not part of the government. They want to know what they are waiting for. Jobs are at stake, security is at stake and the economy is at stake. What are we waiting for to give Quebec its fair share of the ship-building industry?

**Hon. Peter Harder (Government Representative in the Senate):** I thank the honourable senator for his question and his representation. The question is entirely appropriate for the workers of Quebec City and the Davie shipyard. The Government of Canada is committed to the National Shipbuilding Strategy that it is putting in place. It is a long-term commitment that the government seeks to re-energize and rejuvenate the marine industry. The National Ship Building Strategy sets aside \$2 billion of resources to support opportunities for the smaller shipyards like Davie and other Canadian shipyards for small shipping construction.

The government is committed to consulting with the marine industry on their requirements and how these funds can best be deployed.

[Translation]

## FAMILIES, CHILDREN AND SOCIAL DEVELOPMENT

### OFFICIAL LANGUAGES— MINORITY FRANCOPHONE COMMUNITIES

**Hon. Claudette Tardif:** Leader of the Government in the Senate, three years ago, Employment and Social Development Canada stopped supporting literacy, which has had the effect of undermining the only national organization working on this major file for francophone minority communities. On November 7, the Réseau pour le développement de l'alphabétisme et des compétences, backed by the Fédération des communautés francophones et acadienne, sounded the alarm when it announced that the organization's coffers were empty and that, as of October 31, it had no employees to provide services to francophones living outside Quebec. Employment and Social Development Canada responded by announcing a single consultation. Leader, can you assure us that the government will correct past mistakes and take swift, concrete action in this file?

[English]

**Hon. Peter Harder (Government Representative in the Senate):** I thank the honourable senator for her question and I will undertake to bring it to the attention of the appropriate ministers and report back.

[Translation]

**Senator Tardif:** I'm sure you also know that the Office of the Commissioner of Official Languages released an investigation report on October 12 of last year. According to the report, Employment and Social Development Canada failed to fulfill its obligations under Part VII of the Official Languages Act with respect to French literacy. Mr. Leader, can you provide assurances that the government will take its official languages commitments seriously in this regard?

[English]

**Senator Harder:** Again, I want to assure the honourable senator that the minister responsible and the Government of Canada as a whole is committed to enhancing minority language services and rights, and I give my assurance that I will bring this to the attention of the responsible ministers and report back.

## IMMIGRATION, REFUGEES AND CITIZENSHIP

### PROCESSING OF WORK PERMITS FOR CAREGIVERS

**Hon. Thanh Hai Ngo:** Honourable senators, my question is for the Leader of the Government in the Senate and concerns 2018 and 2020 immigration levels announced by Minister Hussen on November 1. Over the next two years, the immigration category will see the target numbers of permanent residents admitted either increase or maintain the status quo with one exception, the caregiver category. The government target next year for caregivers is 18,000. By 2019, the target is reduced to 14,000, and by 2020, it will fall even further to just 5,000. This represents a decrease of over 72 per cent in two years. Could the government leader please provide us with the rationale for this decision? Why did the government cut the caregiver category so dramatically?

**Hon. Peter Harder (Government Representative in the Senate):** Let me simply assure the honourable senator that the immigration plan that the minister deposited in the other place reflects the conclusions of elaborate consultations with provinces and other stakeholders. I will endeavour to determine what particular consultations and information led to the adjustment to the caregiver program.

As you are informed of these matters, you will know that there has been concern in the community with respect to the surplus of caregivers and matching of work, but I will endeavour to find out from the minister the precise way in which that category was spoken of in the plan as it developed.

**Senator Ngo:** As a supplementary question, the wait time for the processing of the application in the life of a caregiver currently stands at 56 months. Is the government doing anything to address this terrible backlog?

**Senator Harder:** As the senator will know and the minister confirmed when he was here, additional resources have been provided to the department to reduce backlogs generally and to ensure better performance in application processing. I am unaware of the specific measures for this category and I will inquire.

As the senator will know because he knows the program, different categories have different wait times or processing time expectations. I know that the minister is vigilant and has had some success in reducing wait times, particularly for family members awaiting unification.

### DELAYED ANSWERS TO ORAL QUESTIONS

**Hon. Peter Harder (Government Representative in the Senate):** Honourable senators, I have the honour to table the answers to the following oral questions: the response to the oral question of March 29, 2017, by the Honourable Senator Frum, concerning democratic institutions — appointment of the Chief Electoral Officer; the response to the oral question of June 1, 2017, by the Honourable Senator Patterson, concerning finance — Phoenix pay system; the response to the oral question of September 28, 2017, by the Honourable Senator Oh, concerning international trade — export of pulse crops to India; the response to the oral question of October 4, 2017, by the Honourable Senator Jaffer, concerning public safety — Canada Border Services Agency — detention of refugee children; the response to the oral question of October 4, 2017, by the Honourable Senator Plett, concerning indigenous and northern affairs — determination of health treatment; the response to the oral question of October 5, 2017, by the Honourable Senator Carignan, concerning Treasury Board — Phoenix pay system; and the response to the oral question of October 5, 2017, by the Honourable Senator Carignan, concerning fisheries and oceans — icebreaker fleet.

### DEMOCRATIC INSTITUTIONS

#### APPOINTMENT OF CHIEF ELECTORAL OFFICER

*(Response to question raised by the Honourable Linda Frum on March 29, 2017)*

Canadians are rightly proud of our democratic institutions and they must have trust in the independent, non-partisan role Elections Canada plays in administering our federal elections.

The Government of Canada has launched the selection process for a new Chief Electoral Officer. The Government's new open, transparent and merit-based approach to appointments aims to identify high-quality candidates who truly reflect Canada's diversity.

The appointment of a new Chief Electoral Officer will be announced publicly following the completion of the selection process. It is anticipated that a new Chief Electoral Officer will be in place well in advance of the next federal election.

### FINANCE

#### PHOENIX PAY SYSTEM

*(Response to question raised by the Honourable Dennis Glen Patterson on June 1, 2017)*

Resolving the ongoing public service pay problems is our priority. This situation is completely unacceptable and we are working tirelessly to ensure that pay issues are resolved as quickly as possible.

These issues have caused real hardships for many public servants and their families — issues that no families should have to face.

Our government remains focused on addressing this issue, which was created by the previous government when they recklessly eliminated more than 700 compensation staff and pressed ahead on a highly complex project that was already behind schedule. We are filling the hundreds of jobs the previous government eliminated and we are making significant other investments.

We have made significant investments to ensure the prompt processing of pay transactions and collective agreements, through an additional investment of \$142 million. This will allow our government to increase staff at the Public Service Pay Centre in Miramichi, extend satellite offices for as long as needed, create surge capacity at the Gatineau office, and hire new compensation and technical staff.

We will explore all options, leave no stone unturned, and won't stop working until this problem is fixed.

The Government continues to communicate openly and transparently about pay issues. Last year, we provided regular briefings to media, but over time we found that this approach was not the most effective vehicle to share information with the employees. Therefore, this spring we introduced an online dashboard designed specifically for public servants, which presents clear, straightforward and meaningful information about our efforts to process outstanding pay transactions. This information is updated every month.

As of our last posting (November 1, 2017) there were 265,000 pending transactions above normal workloads at the Pay Centre. This increase of 8,000 transactions was expected as we focused our efforts on processing payments associated with recently signed collective agreements, which have legislated payment timelines.

Public Services and Procurement Canada remains committed to providing timely and useful information to employees. A new monthly employee communication initiative, the Pay Bulletin was launched in August 2017. The objective of the Pay Bulletin is to provide information that is specific, timely and relevant to employees. Each month, the Bulletin will include an updated Public Service Pay Centre dashboard, articles and links on specific and

seasonal pay-related information, a Did You Know section that highlights frequently asked questions, and links to other useful information.

The next dashboard and Pay Bulletin will be published at the beginning of December.

### **Performance pay**

Performance pay for some key senior officials directly involved in Phoenix is on hold until we have the results of an evaluation of the project. The results of this evaluation will inform how to proceed with performance pay for these officials.

The performance of lower-level executives who played a supporting role has been carefully reviewed and payments were issued where warranted.

## **INTERNATIONAL TRADE**

### **EXPORT OF PULSE CROPS TO INDIA**

*(Response to question raised by the Honourable Victor Oh on September 28, 2017)*

#### **Agriculture and Agri-Food Canada (including the Canadian Pari-Mutuel Agency)**

The Government is committed to maintaining long-term, sustainable access for grain to India. Our objective is to maintain access to this market under conditions that are favourable to Canadian exporters, while still respecting the plant health import requirements of India.

The Government is continuing to work with plant protection authorities in India, in consultation with Canadian pulse stakeholders, to negotiate and resolve this issue permanently.

Canada has submitted a technical package to India, which outlines Canada's systems approach to pulse production and pest management and demonstrates that mandatory fumigation is not required in order to meet India's plant quarantine concerns.

Discussions are currently underway with India's Ministry of Agriculture on this proposal. If accepted as is by India, derogations would no longer be required.

Canada's exemption to the Indian fumigation requirement expired on September 30, 2017. Although, Canadian pulse trade is continuing, exporters could be subject to a penalty upon arrival in India for not meeting the fumigation requirement.

## **PUBLIC SAFETY**

### **CANADA BORDER SERVICES AGENCY— DETENTION OF REFUGEE CHILDREN**

*(Response to question raised by the Honourable Mobina S. B. Jaffer on October 4, 2017)*

#### **Public Safety Canada (PS)**

The Government of Canada is working to improve the immigration detention system and minimize its use. To this end, the Government is investing \$138 million in the new National Immigration Detention Framework, and the Minister of Public Safety and Emergency Preparedness recently issued new Ministerial Direction (MD) that provides guidelines and considerations for CBSA when making a detention decision that may involve a minor. Among its key objectives, the MD directs CBSA to actively and continuously seek alternatives to detention, stop detaining or housing minors (except in extremely limited circumstances), and preserve the family unit.

On October 10, 2017, no minors were detained in Canada under the *Immigration and Refugee Protection Act*. There were 13 accompanied minors housed with their detained parent/legal guardian at an immigration holding centre (IHC), which is permitted if it is determined that it is not in the minor's best interest to be separated from the parent/legal guardian. A housed minor is not subject to a detention order and is free to remain and re-enter the IHC with the parent/legal guardian's consent.

Since 1999, the Canadian Red Cross (CRC) has been independently monitoring immigration detainees and providing annual reports to the CBSA summarizing their findings and recommendations. The most recent annual report by the CRC covered the period from April 1, 2015, to March 31, 2016. It made several recommendations, including calling for more alternatives to detention, improved IHC facilities, and detention of minors "only after other alternatives have been considered and pursued and, if detention is necessary, for the shortest period of time possible." These are objectives that the Government is advancing with the new National Immigration Detention Framework, which was announced in August 2016.

## **INDIGENOUS AND NORTHERN AFFAIRS**

### **DETERMINATION OF HEALTH TREATMENT**

*(Response to question raised by the Honourable Donald Neil Plett on October 4, 2017)*

Our Government strongly believes that First Nations and Inuit children should have access to the same health care services that are available to non-Indigenous children.

In Canada, orthodontic services are not covered under universal provincial and territorial public health programs. The Non-Insured Health Benefits (NIHB) Program therefore provides coverage for orthodontic services for eligible First Nations and Inuit clients when it is medically necessary.

With regards to the case reported in the media recently, like all requests for coverage of orthodontic treatment, this case was reviewed by a licensed orthodontist when it was initially submitted for approval, and subsequently reviewed by three other licensed orthodontists during the appeals process, all of whom agreed with the initial assessment.

The NIHB Program is required, by mandate, to review each claim with fairness and consistency according to published, evidence-based eligibility criteria. In this case, the issue was not about the monetary value or affordability of the claim. There was simply no clinical evidence to support the approval of the claim.

This conclusion was further supported by the Federal Court when, in May 2017, it dismissed a judicial review of the case. The Court found the Program's decision to be reasonable, and the procedure followed to be fair.

### TREASURY BOARD

#### PHOENIX PAY SYSTEM

*(Response to question raised by the Honourable Claude Carignan on October 5, 2017)*

Ongoing public service pay problems are completely unacceptable, and the Government is taking action to resolve this situation as quickly as possible.

After Phoenix was launched and problems began to emerge, we quickly opened satellite offices across the country, stood up an enhanced call centre, created a claims office and undertook extensive hiring efforts to increase the number of staff processing pay transactions. We also ensured that employees facing pay problems could request emergency payments to cover missing pay.

We focussed efforts on priority areas, such as parental leave and disability leave, and these transactions continue to be processed within the 20 day service standard. In addition, the number of student pay issues was significantly reduced.

While progress has been made, more must be done. Even though regular pay continues to be issued every two weeks for some 300,000 employees, we have a growing queue of transactions at the Pay Centre.

Looking forward, we are taking action across government in four areas, including governance and oversight, process improvements, capacity and partnerships.

We will continue to work with our stakeholders to ensure that we get this right and put the pay system on stable footing.

### FISHERIES AND OCEANS

#### ICEBREAKER FLEET

*(Response to question raised by the Honourable Claude Carignan on October 5, 2017)*

According to the United Nations, 90% of the world's trade travels by sea. Canada has the world's longest coastline, and water is one of our most important resources. The Canadian Coast Guard is a key contributor to Canada's success through the provision of essential marine navigation and safety services. At the core of its mandate, and central to Canada's economy, the Canadian Coast Guard provides icebreaking services to ensure the continued flow of marine traffic, providing ships winter access to Canada's eastern ports year-round.

Canada's icebreaking services are delivered through the strategic deployment of 15 icebreakers in southern Canada during the winter. Up to seven of these 15 icebreakers are deployed in the Arctic in the summer to maintain Canada's sovereignty in the Arctic region while also supporting the annual resupply to northerners and northern developments. Furthermore, Canada's icebreakers play a critical role by taking Canada's scientists to sea to enable climate change impact studies, monitor ocean conditions, fish stocks and survey Canada's seafloor.

Canada's icebreakers were specifically designed to meet the harsh conditions in which they operate – they are powerful assets in which the shipping industry can rely upon for the movement of goods in and out of the country during winter months. Canada's icebreakers have been well maintained over the years to ensure the continuity of the vital services that they provide to our economy.

The Canadian Coast Guard works very closely with its many clients, including Canada's shipping industry, to meet its evolving requirements. This close partnership also extends to planning for the renewal of the Canadian Coast Guard's aging vessels, including its icebreakers.

The Canadian Coast Guard is cognisant that its fleet of icebreakers is aging and will need to be replaced in the medium to long term.

Earlier this year, the Canadian Coast Guard completed a Request for Information (RFI), which sought solutions from marine industry for interim icebreaking capacity until new vessels, starting with the Polar Icebreaker, are brought online.

Following on the RFI, on October 31, 2017, Public Services and Procurement Canada, on behalf of the Coast Guard, issued two Requests for Supply Arrangements (RFSAs) for icebreaking services—one for the St. Lawrence River and one for the Great Lakes — which will be used when necessary to complement the Coast Guard's capacity and maintain the flow of marine activity this winter.

The information received as part of the RFI, as well as the input received from Coast Guard clients regarding their evolving requirements, is now being used to update the Coast Guard fleet renewal plan, which is expected to be completed in 2018. The fleet renewal plan is being updated with a view to ensuring that Canada's shipping industry is provided with reliable icebreaking services.

## ORDERS OF THE DAY

### CRIMINAL CODE

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Boniface, seconded by the Honourable Senator Omidvar, for the second reading of Bill C-46, An Act to amend the Criminal Code (offences relating to conveyances) and to make consequential amendments to other Acts.

**Hon. Raymonde Saint-Germain:** Honourable senators, driving is not a right but a privilege that comes with responsibilities to ensure public safety. According to Statistics Canada, impaired driving is the most common offence brought before the criminal courts and one of the leading criminal causes of death, despite major improvements in annual impaired driving rates since the 1980s. For example, the number of police-reported impaired driving cases has declined by 65 per cent compared with 1986, which has at least some connection with the 55 per cent decrease in the number of cases of impaired driving causing death.

• (1500)

Despite this progress, alcohol-impaired driving remains a critical problem. Furthermore, it is appropriate to take action now to further combat the perverse effects of impaired driving resulting from other substances, including cannabis. Accordingly, the purpose of Bill C-46 — to simplify the investigation and prosecution of impaired driving offences — is clearly a worthy one. However, its future implementation raises serious issues. There is an important difference between alcohol and drug testing. Unlike the blood alcohol concentration, the concentration of drugs in the blood is only weakly and loosely correlated with impairment. Moreover, balancing improvements to Canadians' public safety and the protection of individual rights is a fragile exercise.

I will discuss three aspects of these dilemmas: uncertainty regarding the constitutionality of random alcohol breath testing; the risk of racial profiling that arises from random screenings; and the impacts of the new drug screening framework.

The many witnesses heard by the House of Commons Standing Committee on Justice and Human Rights had widely varying opinions about random alcohol testing. Still, most agreed that it is unclear whether new subsection 320.27(2) would be

constitutional. This provision would bring to Canada the Australian model, which gives police officers full authority to conduct random alcohol screenings. The dreaded subsequent legal uncertainty will result in a higher volume of court challenges. This will place an additional burden on the justice system, which is already in crisis as regards trial delays in the wake of the *Jordan* decision. Before unreservedly supporting such a measure, I think it would be appropriate to consider two interesting alternatives, the first of which is based on Ireland's experience and the second set out in the former Bill C-556.

First, mandatory screening only at organized and announced roadblocks, that is, a fixed-checkpoint model. Second, mandatory screening following a traffic accident that results in injury or death.

It is also worth emphasizing the potential consequences of the new random alcohol testing approach for racial minorities. The current framework protects all Canadians against illegal searches and seizures. It establishes a balanced standard based on the subjective belief of the police officer that the suspect has committed the offence and an objective assessment of the police officer's observations, generally performed using an approved screening device. This process allows a breath test to be administered where the police officer has reasonable grounds to suspect that the driver has alcohol in his or her body.

This criterion was established to strike a fair balance between police law enforcement powers and Canadians' reasonable expectation of privacy. The Supreme Court of Canada described this delicate exercise in balancing social interests in *R. v. Chehil*. The following excerpt explains the reasoning underpinning the standard of reasonable suspicion and cautions us against unconditionally subjecting citizens to random screenings:

[Reasonable suspicion] is a robust standard determined on the totality of the circumstances, based on objectively discernible facts, and is subject to independent and rigorous judicial scrutiny. As Doherty J. A. said in *R. v. Simpson* (1993) . . . the standard prevents the indiscriminate and discriminatory exercise of police power.

[*Translation*]

Eliminating the requirement to have reasonable grounds for suspicion that the driver has consumed alcohol gives the police officer an arbitrary power that runs the risk of increasing racial profiling. A good number of social science studies prove what most people recognize intuitively: drivers belonging to racial minorities are pulled over more often than their fellow citizens. For example, a 2015 study found that black youth in Toronto were 4.1 times more likely to be stopped and questioned about traffic violations than white people. In light of these facts, it appears that random sobriety tests may be unfair and unjust, at least in certain sectors.

To minimize the use of such tests, there has been much discussion about testing at stationary roadblocks. This ensures that all drivers are pulled over, without exception, and in a truly impartial manner. However, it would be unrealistic to believe this measure could be implemented smoothly. That would completely disregard Canada's economic, geographic, demographic and cultural reality. Most random tests are carried out when vehicles are stopped by police on the side of the road. It is our duty to ensure that racialized minorities are protected against the risk of discrimination arising from the new approach to alcohol screening. To that end, I would refer you, among other things, to the alternatives that I outlined previously.

I also have questions about the approach to testing for drugs, cannabis especially, where a metabolic THC level has been established. In fact, the THC levels in saliva, blood, and fatty tissue do not necessarily reflect impairment. In his recent testimony, Chief John Bates, of the Saint John Police Service in New Brunswick, echoed the comments of the Canadian Association of Chiefs of Police: there is still no scientific means of testing for drug impairment in the way that we can test for alcohol impairment. This fact must absolutely be examined in detail by the Senate committee that will study this bill.

First, it would be important to clearly establish the criteria a police officer could use to determine whether there are reasonable grounds to believe that a person is driving under the influence of drugs and how these criteria would differ from those being used, until further notice, to recognize the signs of drinking. Second, the committee should definitely assess whether the various blood drug concentrations considered to be criminal offences as defined in the supporting regulations are empirically justified, as well as the negative impact these concentrations could have. The media recently reported that the saliva testing devices are not yet fully ready. Although the government claims they will be ready by July 1, the committee should think about what needs to be done if they are not. Costs and timelines for training evaluation officers, or drug recognition experts, should also be taken into consideration, particularly with the deadline looming.

The final issue I want to point out is that Canadians who use cannabis for medical purposes may be disproportionately affected by the new approach. Does Bill C-46 take these Canadians' circumstances into account? These measures should not inadvertently discriminate against patients who use medical cannabis to treat conditions like chronic pain. Not only will the committee have to examine whether this measure complies with the Canadian Charter of Rights and Freedoms, but it will also have to consider the alternatives available to medical cannabis users in this context. We know that tolerance for cannabis varies widely from one individual to another, as does the length of time that traces of THC stay in a person's system. The different consumption methods could also have an impact, which is something that has not been discussed much so far. However, the data currently available suggest that to avoid driving over the limit, long-time users of medical cannabis may have to wait several days before getting behind the wheel, even if their faculties remain unimpaired.

The same problem could affect regular recreational users.

[ Senator Saint-Germain ]

In closing, we must support the objective of Bill C-46, as we are all fully aware of the importance of reducing the very serious consequences of impaired driving as much as possible. However, certain constitutional questions, particularly related to racial profiling and the impact of the new approach to drug detection, need to be carefully examined with a view to identifying solutions that will minimize the risks. In this context, the members of the Senate committee will have an essential role to play in ensuring that this bill does not encroach on any rights, in the form of discrimination arising from a lack of clarity, omissions, or inadequacies in the legislation as drafted. Thank you.

• (1510)

**Hon. Serge Joyal:** Will the honourable senator take a question?

**Senator Saint-Germain:** Yes, certainly.

[English]

**Senator Joyal:** Senator Saint-Germain, you mentioned the racial profiling in Toronto, but there is another aspect of racial profiling that is more important — the one of Aboriginal people. I'm thinking of a city like Winnipeg, for instance, where the Aboriginal community is dominant and the outstanding number of youth in prison.

This morning we had Senator Pate, at the open caucus on the rights of the child, mention to us that 43 per cent of youth inmates are girls. You can expect that now we have removed the criteria that was at least a filter to prevent that, to a point, racial profiling will totally disappear. As usual, it is the communities that are most vulnerable that will be the first targeted.

I fail to conclude that these changes have been properly vetted in consultation with Aboriginal people. Each time we have a bill — since reconciliation, I should say, and the commitment of the government — we should be very well aware of the impact of the legislation on the Aboriginal community.

To your knowledge, has there been such consultation with the Aboriginal people in relation to the impact of these changes to the Criminal Code?

[Translation]

**Senator Saint-Germain:** Thank you, honourable senator, for the question. I will respond to the first part of your comments on the consultations. I will refer to the bill's sponsor. I completely agree with you, senator, on the significant impact these measures will have on those who are more likely to be targeted in the context of screening on reasonable grounds, a concept that leaves a lot of room for interpretation.



You talked about members of indigenous communities in general, and for good reason, but I would also add visible minorities and young people in general. In my intervention, I referred to the consequences to the justice system. We might add the consequences to the penal system, both federally and provincially, regarding sentences of two years less a day. We have to weigh the importance of these decisions and the inability of the prison system — with which I am well acquainted having been the correctional ombudsman of Quebec for 10 years — to contribute not only to detoxification programs, but also to adequate reintegration.

We have to further weigh the importance of these issues. I propose two alternatives that seek to diminish the arbitrary nature of the practice by referring to the Supreme Court ruling and to ensure that the criteria are more objective. I chose to speak at second reading to underscore the importance of the work of the committee, which will be able to do a much better job of weighing these elements and the risk, and taking measures to mitigate—

**The Hon. the Speaker:** I'm sorry, but your time is up. Would you like five more minutes?

**Senator Saint-Germain:** I was wrapping up.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Saint-Germain:** I just wanted to finish by saying that I share the honourable senator's concerns. The committee members have a very important job to do. With regard to advance consultation with those communities, I did not see any detailed information in any of the documents I read, so I cannot speak to that part of your question.

[*English*]

**Hon. Yonah Martin (Deputy Leader of the Opposition):** I have one question, if there is some time remaining.

Senator, as you say, the July 1 date we keep hearing in the news and from certain individuals seems like it's around the corner, and there are a lot of concerns, as you raised in your speech. First of all, thank you for the speech you made.

I was looking through some notes and the section regarding the clauses that would expand the use of approved screening devices. My concern is regarding the real effectiveness of such devices. You could have technology, but if it's not properly implemented and monitored, it could raise other issues and concerns. Would you speak to your research and understanding of such devices and whether or not this is an area of concern, and that we may need more time to ensure that we have all of the elements in place before any such law is enacted?

[*Translation*]

**Senator Saint-Germain:** Thank you, senator, for your question. First of all, it is important that Bill C-46 be implemented before Bill C-45 is passed, because the enforcement measures and sanctions required in cases of abuse are primarily set out in Bill C-46.

I think it is best that the effective date be as soon as possible, but it must not be so soon that there is not enough time to fully understand the best conditions that will allow for all public safety objectives to be met while also respecting the rights of Canadians. In that regard, some testing is currently being done with various tools and devices that could measure blood THC levels, but based on what I have read, at this point, they are still in the experimental stage.

If the testing is completed in time, that would be great, but I don't think rushing things is the solution here. If more time is needed for testing, we need to have the wisdom to postpone implementation accordingly.

(On motion of Senator Martin, debate adjourned.)

**CANADA BUSINESS CORPORATIONS ACT  
CANADA COOPERATIVES ACT  
CANADA NOT-FOR-PROFIT CORPORATIONS ACT  
COMPETITION ACT**

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Wetston, seconded by the Honourable Senator Joyal, P.C., for the second reading of Bill C-25, An Act to amend the Canada Business Corporations Act, the Canada Cooperatives Act, the Canada Not-for-profit Corporations Act, and the Competition Act.

**Hon. Renée Dupuis:** Honourable senators, I rise today to debate Bill C-25 at second reading, and I want to talk about one section in particular that must be added to the Canada Business Corporations Act.

According to the testimony of the Assistant Deputy Minister of Innovation, Science and Economic Development Canada before the House of Commons Standing Committee on Industry, Science and Technology, of the 270,000 businesses subject to the Canada Business Corporations Act, this new part regarding diversity would apply only to the 3,000 distributing corporations, 600 of which are listed on the TSX.

Under the new subsection, directors of a prescribed corporation shall place before the shareholders, at every annual meeting, the prescribed information respecting diversity among the directors and among the members of senior management as defined by regulation.

• (1520)

Honourable colleagues, the point is that Bill C-25 adds a vague concept to federal law, a concept that has no legal definition. That concept is diversity. As to what kind of information is to be provided to shareholders and how the two categories, board membership and executive membership, are to be defined, the bill leaves that up to future regulations.

As legislators, we are being asked to pass a bill that in no way defines the subject of this legislation, and we are being asked to delegate our legislative responsibility to the executive branch. For reasons I will explain, that is not an appropriate course of action.

In this bill, the very concept of diversity is problematic. According to the dictionary, diversity is, among other things, the state of being diverse, which means varied or unlike in nature or qualities. It can be used to refer to people from many different countries or things that exist in a variety of forms. Consider an event that gets mixed reviews, or miscellaneous spending, which includes diverse expenses that don't fit neatly into one category.

We use the word "diversity" in a variety of contexts. We talk about cultural diversity, diversity and inclusivity, diversity and human rights, ethnic diversity, religious diversity, diversity of opinion, and so on. Testimony before the other place's standing committee that studied Bill C-25 made it quite clear that the very concept of diversity is infinitely diverse. Some of the witnesses offered examples, such as how three men from different financial institutions could satisfy a diversity requirement, or how the presence of men practising different professions within a single corporate entity could satisfy that requirement.

In this case, diversity must be directly related to human rights and other remedial measures we need to right past discriminatory wrongs and compensate for current organizational discrimination against people who belong to specific groups. The act must include a clear definition of the word so that there will be no doubt as to how it is to be interpreted by the government in any future regulations it adopts in accordance with the bill. Lack of clarity around the use of a concept that has not been defined but that might someday be defined in regulations created by the government gives the government carte blanche to define that concept and any relevant criteria. The law must be written clearly so that the courts' interpretation is consistent with the intent of the legislator.

In the current legal context, this right is well defined and has been for the past 40 years in Canada. Since 1985, the Canadian Charter of Rights and Freedoms of 1982 has guaranteed the right to equality without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability. This constitutional protection against discriminatory laws or actions by governments strengthens the protections granted under federal laws that apply to both the public and private sectors. What is more, the Canadian Human Rights Act, which was passed in 1978, defines the prohibited grounds of discrimination when it comes to employment and services provided by Crown and other federally regulated corporations.

Another federal law, the Employment Equity Act, which was passed in 1995, designates four groups — women, aboriginal peoples, persons with disabilities and members of visible minorities — to whom federally regulated employers have specific obligations in order to meet the objective of the act, which is, and I quote:

... to achieve equality in the workplace so that no person is denied employment opportunities or benefits unrelated to ability, and in the fulfilment of that goal, to correct the conditions of disadvantage in employment experienced . . .

— by members of the four designated groups.

Bill C-25 must be consistent with existing human rights legislation so that it does not undermine human rights protections. Forty years after the passage of the federal law prohibiting discrimination, the Assistant Deputy Minister of the Strategic Policy Sector of Industry Canada presented the system proposed in Bill C-25, which is commonly known as the "comply or explain" approach. In my opinion, this model will set us back because it will create a context in which some companies could believe that all they have to do is disseminate some as of yet unspecified information to fulfil their obligation not to discriminate, thereby rendering that obligation incidental if not superfluous.

Many witnesses appeared before the House of Commons standing committee. They unanimously agreed that the current lack of women on boards of directors and in executive positions in federally regulated corporations is unacceptable. Some witnesses added that the bill should include objectives that must be met regarding the representation of women. Others said that the diversity referred to in Bill C-25 must include not only women but also the other groups identified in the Employment Equity Act. At the other place's committee hearings, the Minister of Innovation, Science and Economic Development explained that the government decided not to impose quotas in order to follow the "comply or explain" approach. The minister's explanation does not shed any light on the nature of the obligation to which these corporations will now be subject.

Dear colleagues, I invite the senators who will be examining this bill to take into account the testimony heard by the other chamber and to carefully study the new provision that is being proposed in order to first gain an understanding of the nature of the obligation and to then look at how the provision will fit with existing human rights legislation and the Canadian Charter of Rights and Freedoms.

It is interesting to note the apparent confusion among witnesses around the scope of the word "diversity" in the bill. Some believe that the vagueness of the term means that it could encompass anything within the realm of human imagination, without necessarily taking into account those who are excluded because of discrimination and who are not protected under this bill. Diversity could exclude any class of persons except those belonging to groups that face discrimination, especially those who belong to the four designated groups and who face intersectional discrimination, such as a man or woman with a disability, a person belonging to a racialized minority group, or an indigenous person.

The consensus seems to be that net positive results, better results, are achieved by companies where women are involved in high-level decision making. Why then is it taking so long for women to be represented on boards of directors and in executive positions? Do these corporations not understand the financial benefits this could have? Do they believe that hanging on to their prejudice will be less costly than having women in positions of power in these corporations? After 40 years of education and awareness building on human rights and prohibiting discrimination, how do we overcome this resistance? How do we ensure that qualified individuals are no longer excluded just because they are women or indigenous, have a disability, or belong to a racial minority, if we do not set clear objectives that must be met and impose an obligation to report publicly on the attainment of those objectives, and not just to shareholders?

The use of terms like “quotas,” “targets,” “objectives” and “thresholds” often results in a negative reaction to such measures. The idea of rectifying past and continuing discrimination against women and other designated groups is disappearing as a result of the use of a vaguer term that is more open to interpretation. The courts have been identifying the discriminatory barriers that women face within corporations and the mandatory measures needed to rectify such discrimination for 30 years. The expression that is used to explain their absence in corporations is the “glass ceiling,” referring to the discrimination that prevents women from crossing a certain threshold in business. In *Action Travail des femmes v. C.N.R.*, in 1987, the Supreme Court clearly ruled that the company’s harmful prejudices against women and its discriminatory practices and policies were an expression of the deeply-rooted, systemic discrimination in employment systems, sometimes sanctioned by senior management. The Quebec Court of Appeal firmly upheld this conclusion in the *Action Travail des femmes v. Gaz Métro* ruling of 2011.

The costs associated with hiring practices that discriminate against people who belong to a designated group for employment purposes, for businesses and society in general — in particular the costs of setting up systems to protect against discrimination and of establishing social assistance measures aimed at those whose talents are wasted when they are shut out of the job market because of discrimination —, should be enough to motivate us to instead create systems to remedy discrimination. However, clause 24 of Bill C-24 is neither an effective nor efficient measure to remedy discrimination.

• (1530)

I wish to draw your attention to the words of Monique Jérôme-Forget, a former minister of finance for the Quebec government. In her book *Les femmes au secours de l'économie: pour en finir avec le plafond de verre*, which is about getting rid of the glass ceiling so women can rescue the economy, she wrote the following:

Although some companies are excellent at retaining and nurturing female talent, others need a law spelling it out in black and white before they will lift a finger . . .

She believes legislation is necessary to overcome what she describes as deliberate or inadvertent factors of resistance. She writes that the fact that numerous legislative measures have been

enacted in countries around the world is evidence of a global desire for change. Given that female representation among directors and members of senior management has not improved much in the past 40 years, she recommends passing a law enshrining the principle of gender parity and requiring that that principle be applied every time a vacancy arises, so that one in two board positions goes to a woman.

Colleagues, the work women have done since the introduction of a ban on workplace discrimination 40 years ago should help advance the protection of rights, not erode it. The awareness raising that began 40 years ago must lead to tangible measures that will ensure a significant improvement in the representation of women, Indigenous peoples, persons with a disability and racialized minorities. An analysis of the persistent systemic discrimination these groups face, especially at the top of the corporate ladder, calls for added protection. However, Bill C-25 provides for less protection against this kind of discrimination. It weakens the level of protection by introducing into federal law a concept that is meaningless without the context to interpret it. An explicit reference to diversity within the meaning of the Canadian Human Rights Act and the Employment Equity Act must be included in the act if the concept of diversity is added.

**Hon. Serge Joyal:** Will the honourable senator take a question?

**Senator Dupuis:** Yes.

**Senator Joyal:** Thank you for your contribution to this debate. As you know, the government has to submit every bill to a gender impact analysis before they are validated by cabinet. Since, in your assessment, this is ultimately a step backward compared to what we already had, did this bill undergo such an analysis? If so, what were the findings?

**The Hon. the Speaker:** I am sorry, senator, but your time is up. Do you want five more minutes to answer questions?

**Senator Dupuis:** I would like half a minute, Mr. Speaker.

**The Hon. the Speaker:** Is it granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Dupuis:** Thank you, Senator Joyal, for your question. Unfortunately, I can’t answer it because I do not have that information.

(On motion of Senator Martin, debate adjourned.)

## TRANSPORTATION MODERNIZATION BILL

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Mitchell, seconded by the Honourable Senator Gagné, for the second reading of Bill C-49, An Act to amend the Canada Transportation Act and other Acts respecting transportation and to make related and consequential amendments to other Acts.

**Hon. Dennis Dawson:** We have before us a bill that seeks to address a good number of challenges in transportation. We live in a vast northern country and our economic success depends greatly on our ability to transport our goods. Whether we are talking about transporting grains from the Prairies or minerals from the North to our Atlantic and Pacific ports, or softwood lumber from Abitibi to American yards, our economy depends on an effective and fluid transportation network to ensure that all sectors can flourish.

[*English*]

Achieving this balance is no small task. The bill we have before us, as technical and complex as it may be, has very concrete measures that affect the diverse sectors of our economy in all our regions.

[*Translation*]

As a longstanding member of the Senate Standing Committee on Transport and Communications, I can assure you that this bill addresses many of the critical and varied issues involving transportation, such as passenger rights, rail safety, and competitiveness.

[*English*]

As honourable senators will recall, 2013 was a record year for our farmers but it was also a disappointing year due to an unusually harsh winter, which slowed down the speed at which trains can travel and the number of cars they could carry. Many farmers were unable to benefit from their record harvest and some had no choice but to leave their crops to rot due to the inability to transport them to markets in a timely manner.

I know we all want to ensure that such a situation never occurs again.

The previous government introduced Bill C-30, the Fair Rail for Grain Farmers Act, as a kind of temporary stopgap to address this issue. But it was a temporary measure until such time as a more thorough and broad review of the entire Canadian Transportation Act was developed. I believe that this is what we have before us today in Bill C-49.

Another important aspect of this bill is the creation of an air travellers rights regime. I, like many senators in this chamber, travel here on a weekly basis by air. I am sure that you, like me, have all lived through particular circumstances. We represent a very captive focus group, shall I say, as to what air passengers'

rights should be and I am sure we will have great interest in seeing how these measures will affect our own air travel experience.

Many other jurisdictions like Europe, United States and Asia have a long time ago given themselves a rights regime for air travellers. I believe that this has been a long time coming.

As many senators know, over the years, our Standing Senate Committee on Transport and Communications has done very important studies on airports. In the context of those studies, having held several consultations and although our report focused on the efficiencies, funding and economic impact of airports, we also heard much testimony about the passenger experience.

Will this bill solve all of those problems? No. Sometimes situations are beyond the control of airlines and sometimes of airports. Sometimes airlines and their customers will sincerely disagree about whether a passenger's rights were respected. Not all travellers will be inclined to pursue redress. However, I think that requiring airlines to set out service standards in clear language in the passenger tariff and mandating some consistency over how passengers are treated at different times and by different airlines is an improvement over the situation that exists today.

Currently, passengers are often confused about what their rights are. They have an impression that their complaints are being treated in an ad hoc manner and they are unsure where to turn if they feel they have been mistreated. It seems to me that greater clarity and consistency about the service standards will go some way in resolving complaints in a more efficient way.

Did the government get it right with this bill? Probably not. There is no one bill that would make everyone happy. For instance, I know that many of us have heard concerns about workers' privacy with regard to this bill and the installation of voice and video recorders on locomotives. This will require some further study at committee.

Overall, however, I think this is a reasonable piece of legislation that may go some way toward modernizing our transportation statutes but which also merits careful scrutiny in committee and debate in this chamber.

I look forward to those provisions being explored and debated and hearing from stakeholders about their effects.

Senators, I look forward to our Senate committee's study with the hope of making this legislation as good as it can be.

**Hon. Terry M. Mercer (Deputy Leader of the Senate Liberals):** Will the honourable senator accept a question?

**Senator Dawson:** Certainly, Senator Mercer.

**Senator Mercer:** I have been here a few years now and I've been on the Transport Committee almost since I arrived. I have not had more visitors, phone calls and letters about a transport bill since — well, forever.

One thing that I find curious about this bill is the extension of interswitching. And for people who don't understand what interswitching is, it allows people to move materials from one place to another, from one railway to another.

• (1540)

The changes that are in Bill C-49 will allow American railroads to come into Canada, pick up products in Canada and ship them down through the United States on American railroads.

Some of that does happen, but the extension of the distance here would allow American railroads to take business away from Canadian railroads.

Now, here we are in the middle of NAFTA negotiations, and I'm getting to the question, Your Honour: Do you find it kind of curious, Senator Dawson, that in the middle of negotiations on a new NAFTA treaty with our American friends, without even talking about it, we give American railroads access to our markets with no reciprocity for Canadian railroads to be allowed to do the same in the United States? What kind of people are negotiating a trade agreement and not considering the effects of this decision outside of the NAFTA agreement?

**Senator Dawson:** Well, I'm sure the sponsor of the bill would be better prepared to answer this question, and even better than that, once it's sent to committee, is having the witnesses. I take the expression from my two colleagues across the way, "No minister, no bill." It means that the minister will have to come to committee and answer your questions, Senator Mercer, since I'm told that you will be sitting on the committee, which, I'm told, will be chaired by somebody other than me. I'm sure that you will have the opportunity to ask the minister. You'll have the opportunity to receive the witnesses from the industry, and you'll have the opportunity to invite people to come to the committee and listen to them as soon as the bill comes to the committee.

**Senator Mercer:** I fully intend to. I look forward to a vigorous debate on this, because anybody who thinks this piece of legislation is going anywhere fast hasn't been paying attention to the number of issues that are in this bill.

I mentioned only one. You mentioned in your speech about the video recorders and sound recorders in locomotives.

To say the unions are upset is an understatement.

Senator Dawson, do you have any indication as to when the government would like to see this legislation passed?

**Senator Dawson:** Again, I would refer you to the sponsor of the bill, who is here. I don't know if you want to ask him the question. I don't know if it's possible for him to answer, but I'm sure he's better qualified to give you an answer on that. As I said in my question today, I know I'm probably the most Liberal of the independent Liberals, but I'm not a member of the government.

**Hon. Frances Lankin:** Would the honourable senator accept a question? Thank you.

I appreciate the comment you just made that you are not answering on behalf of the government at this point in time. This is an opportunity for us, however, to raise issues that, hopefully, the committee will examine, and I know that the new chair of the committee is listening attentively. Hopefully, this will form part of the inquiry.

I also raise the two concerns that have just been raised by Senator Mercer. With respect to the surveillance of engineers and conductors, this is very different than what we do with pilots. Certainly that information should be accessible to the safety board, but, with respect to employer grievance and disciplinary processes, that's not allowed in other sectors. All of a sudden, something the rail line industry has been looking for for a long time is coming through a transportation policy in the guise of safety. Everyone supports safety. I would hope that the committee would examine that.

The issue with respect to the interswitching is incredibly important because, while it might happen now, on any American rail line coming into Canada for any distance, there is a switch of running crew at the border. If that switch no longer takes place, which is a potential consequence of this legislation, it has an incredible impact on jobs because it appears that there's no reciprocity.

The other issue that I would hope would be looked at is , within the airlines, the definition of joint ventures and the request to allow airlines to go into joint ventures where it appears to be more of a merger and appears to be contrary to what our Competition Act would allow. I think there should be big questions about why we're doing that because the impact on regional airlines and regional travel for many of us that don't live in major centres is quite important.

I would hope that as you do a handover to the new chair, you would highlight some of these issues and realize that he is listening as well and that the committee would pursue them.

**Senator Dawson:** I'm sure he is listening attentively. It will certainly be brought up tonight at the creation of the committee, with the new steering committee and planning the study of this bill, whenever it makes it to our committee. Obviously, as Senator Mercer mentioned, there has been a lot of lobbying on this question, and I know most members have been informed. But I do believe sincerely that the process is the committee process, and that's what we're here for.

[*Translation*]

**Hon. Ghislain Maltais:** CN has sent a number of submissions to our offices regarding freight interswitching, because once the freight reaches its regular line, transportation rates are set by the government agency. CN is blithely complaining that this represents lost revenue. Have you received similar submissions?

**Senator Dawson:** Indeed, I have been made aware of the various aspects of this issue. We will have an opportunity to hear from experts in committee, to hear what the companies have to say about this bill. That will be the time to determine whether the proposed measures are satisfactory, and if they are not, we will continue our study.

I would also take this moment to congratulate you on your bow tie. I think it gives you a certain *je ne sais quoi*, and since it is a clip-on, you don't have to fuss over it. However, I especially want to congratulate you on the cause you are championing. I will commit this very week to booking that exam as soon as possible.

(On motion of Senator Martin, debate adjourned.)

[English]

### MISCELLANEOUS STATUTE LAW AMENDMENT BILL, 2017

#### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Bellemare, seconded by the Honourable Senator Petitcherc, for the second reading of Bill C-60, An Act to correct certain anomalies, inconsistencies and errors and to deal with other matters of a non-controversial and uncomplicated nature in the Statutes of Canada and to repeal certain Acts and provisions that have expired, lapsed or otherwise ceased to have effect.

**Some Hon. Senators:** Question.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

(Motion agreed to and bill read second time.)

REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

(On motion of Senator Bellemare, bill referred to the Standing Senate Committee on Legal and Constitutional Affairs.)

[Translation]

### THE ESTIMATES, 2017-18

NOTICE OF MOTION TO AUTHORIZE NATIONAL FINANCE  
COMMITTEE TO STUDY SUPPLEMENTARY  
ESTIMATES (B) WITHDRAWN

On Government Business, Motions, Order No. 131, by the Honourable Diane Bellemare:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) for the fiscal year ending March 31, 2018, with the exception of Library of Parliament Vote 1b; and

[ Senator Dawson ]

That, for the purpose of this study, the committee have the power to sit, even though the Senate may then be sitting, and that rule 12-18(1) be suspended in relation thereto.

**Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate):** Honourable senators, pursuant to rule 5-10(2), I ask that Government Notice of Motion No. 131 be withdrawn.

(Notice of motion withdrawn.)

NOTICE OF MOTION TO AUTHORIZE THE JOINT COMMITTEE ON  
THE LIBRARY OF PARLIAMENT TO STUDY VOTE 1B OF THE  
SUPPLEMENTARY ESTIMATES (B) WITHDRAWN

On Government Business, Motions, Order No. 132, by the Honourable Diane Bellemare:

That the Standing Joint Committee on the Library of Parliament be authorized to examine and report upon the expenditures set out in Library of Parliament Vote 1b of the Supplementary Estimates (B) for the fiscal year ending March 31, 2018; and

That a message be sent to the House of Commons to acquaint that house accordingly.

**Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate):** Dear colleagues, it is the same procedure. Therefore, pursuant to the same rule 5-10(2), I ask that Government Notice of Motion No. 132 be withdrawn.

(Notice of motion withdrawn.)

• (1550)

### CRIMINAL CODE

BILL TO AMEND—SECOND READING—DEBATE

On the Order:

Resuming debate on the motion of the Honourable Senator Ringuette, seconded by the Honourable Senator Bovey, for the second reading of Bill S-237, An Act to amend the Criminal Code (criminal interest rate).

**Hon. Ghislain Maltais:** Honourable senators, if I may, I would like to remind the chamber that Bill S-237 has quite a long history behind it. This bill has been reintroduced in the Senate a number of times since 1981; it's been around almost as long as Santa Claus. It's time to resolve this matter once and for all.

Our former colleague, Senator Plamondon, introduced it as Bill S-19. Senator Ringuette, for her part, introduced Bill S-10 and Bill S-237. Unfortunately, the issue remains relevant today. What Senator Plamondon had argued at the time is perhaps even more relevant today, since the interest rate she cited at the time was 19 per cent. A rate of 60 per cent was barely considered usurious at the time, but the fact is that is the rate still on the books, even though bank deposits generate less than one per cent interest these days.

Something needs to change for the benefit of consumers, and I don't mean the people who don't need it. Many people do not need to use credit cards or short-term loans from certain financial institutions that have a less than stellar reputation. We have to be very careful about that. The vast majority of Canadians have much more than just one credit card and more than one small loan here or there, given by certain financial institutions.

People can put off making payments for a while, but sooner or later, they run up against deadlines. As Talleyrand said, credit is necessary, but it is deadly if poorly managed. Credit is a tool that can help individuals and businesses grow. If not used wisely, credit can destroy businesses and ordinary citizens.

I believe that Senator Plamondon and Senator Ringuette both testified before the Banking, Trade and Commerce Committee, where they explained their bills quite clearly. Unfortunately, elections erased those bills from the Order Paper.

The subject has now been revived so we can examine it again, but perhaps a new perspective is in order. For one thing, a 60 per cent interest rate nowadays is extreme, but it is allowed under the Criminal Code. We may therefore have to amend the Criminal Code. Senator Ringuette will probably talk about that during the debate on Bill S-237.

The interesting thing is that credit is becoming easier to get, even for students who may not really understand that they have to pay off their credit cards eventually. In many cases, parents have to pick up the pieces when that happens. Financial institutions are never on the losing end. Never have I seen a financial institution take out a full-page ad in the *Globe and Mail* or in *La Presse* to inform the public that it has incurred financial losses because of a credit card. Never. Yet credit can often ruin many of our young people who are pursuing their studies or have just started working. When they do not pay off their credit card balance, their name is mud for quite a while. Good credit is easy to lose and hard to regain. Young people in particular have no idea what is going to hit them when they are 25 or 30 and want to borrow money to buy a car or their first house, condo or apartment. A small \$500 debt they neglected to pay can end up costing them a loan. That is awful.

I believe it is the duty of parliamentarians to look at what is happening to people who do not understand the consequences of their actions. Not every Canadian has a bachelor's degree or a doctorate. There is the middle class and there is the real middle class, and then there are a great many Canadians below them still. It is our duty as senators to look out for them. We are their last line of defence. The Senate has a very important role to play in this area. We are the last line of defence for these people who are unable to manage their own affairs. We have a duty to them. I will not fight here to help banks make more money, but I will fight for the little guy, young people who do not yet know how important it is to maintain good credit. We are going to work together on that, and we need to start thinking about this more seriously in the coming months.

I was reading the speech given by Senator Grafstein, who you all knew, and it is even more relevant now than it was when he gave it in 2005. The speech that Senator Plamondon gave in 2004 is also still relevant, as is the one given by Senator Ringuette, who made a big impression on senators with her passion, strength, and voice, even if she did speak a little more softly.

It is important to look at what we can do for Canadians. Most governments, no matter what the level, are not very interested in looking at what happens to young people who do not know how to manage their own affairs. It is all well and good to offer courses, but when people are in debt up to their eyeballs, it is not so easy to get out of it.

I think this is a duty we will need to closely consider together over the coming weeks and months if we want to hammer out a Senate bill that all senators can support, in their wisdom and in accordance with their responsibilities to this class of people.

I know that trying to amend the Criminal Code is a major enterprise in and of itself. I don't know whether we will succeed, but if we don't ask the government to do this, we will never know. If we can bring this to the attention of the Minister of Finance, maybe he could also look into this issue, more thoroughly than we could. We are sounding the alarm: things need to change. No matter what it takes, no matter our political stripe, things need to change.

The current interest rate on unpaid credit card balances is about 19 per cent. Some people pay off their balance every month, so they have no problems, but some credit card users spread out their payments over a long period of time. After a year or two, they will have paid as much in interest as they originally owed.

I am thinking of store credit cards in particular. It is fortunate that Sears is going bankrupt. It was one of the worst offenders, and as such, it reaped what it sowed; it seems that there is some justice left in the world. When I was an MP, I met some people who had bought a fridge on a store credit card. After five years, they had only managed to pay off the interest, and the fridge still belonged to the store that had sold it to them. I will not name this store out of respect, because I am no longer an MP, but this is exploitation all the same. These people were not acting in bad faith. They simply had low incomes. A fridge is an essential part of any household, especially when you have children. It is not a luxury, but a necessary appliance.

(Debate adjourned.)

*(At 4 p.m., pursuant to the order adopted by the Senate on February 4, 2016, the Senate adjourned until 1:30 p.m., tomorrow.)*