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THE HONOURABLE DANIEL HAYS
SPEAKER

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THE SENATE

Tuesday, March 22, 2005

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

Prayers.

SENATORS' STATEMENTS

TRIBUTES

THE LATE HONOURABLE ROYCE FRITH, O.C.

The Hon. the Speaker: Honourable senators, I received a notice from the Leader of the Government who requests, pursuant to rule 22(10), that the time provided for consideration of senators' statements be extended today for the purpose of paying tribute to the Honourable Royce Frith, a former colleague whose death occurred on March 17, 2005.

Hon. Jack Austin (Leader of the Government): Honourable senators, it is with genuine sadness that I rise to mark the passage last Thursday of one of our most distinguished and venerable former colleagues, the Honourable Royce Frith, who was summoned to this chamber in 1977, and resigned in 1994 at the age of 70 to accept the position of Canada's High Commissioner to the United Kingdom. This offer of such an eminent post was a tribute to both the abilities of Senator Frith and to the Senate.

During the tributes that were paid to our departing colleague in October 1994, Senator Jacques Hébert described him as a true Renaissance man and concluded his statement by saying:

Finally, and for me this is the ultimate compliment, Royce Frith is a perfect gentleman who will represent us with distinction at the Court of St. James.

This was certainly the case. Not only was he the perfect gentleman who represented Canada with unusual distinction, but he was also a very effective ambassador to the European community at large, particularly during the so-called "turbot wars" with Spain.

Knowing Royce as we did, none of us were surprised at the glowing accounts in the media of his activities and his effectiveness on the international stage. We would have expected nothing less from this natural-born and strikingly elegant diplomat.

To return to his time in the Senate, I will begin where he began, with his inaugural speech in this place on May 24, 1977. He spoke about his experiences as a member of the Royal Commission on Bilingualism and Biculturalism, and described the Senate's special responsibilities on minority and provincial rights. In that first speech, Senator Frith laid down his personal marker when he said, "Canadians have a right to expect service beyond the call of duty from all their institutions."

When it came to his work here, Senator Frith gave beyond the call of duty. In addition to his active participation and membership on numerous committees, he served as Deputy Leader of the Government from 1980 to 1984, Deputy Leader of the Opposition from 1984 to 1991 and Leader of the Opposition from 1991 to 1993. During those years, particularly those in opposition, he played a leading role on issues that occupied political centre stage — free trade, the Constitution and the GST. He then authored two books describing some of his experiences, the second of which was, *The Show Must Not Go On*, a title that also reflected perhaps his true love, which was theatre. Before coming to the Senate, Senator Frith was often on stage as a member of the Perth Ecumenical Choir performing musical comedy, and in subsequent years he starred in *The Music Man*, *The Mikado*, *My Fair Lady* and *Oliver*, among other productions. More recently, he served on the board of the National Arts Centre.

Honourable senators, Senator Frith was a well-educated and cultured gentleman, a Renaissance man possessed of an open and inquiring mind and generous spirit, in other words a small "L" liberal in the old fashioned and truest sense of the word. That is the person our country has now lost.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, our former colleague the Honourable Royce Frith was a man both remarkable and interesting, a man who left his mark in varied forms. He was a performer in many ways, a superior thespian with an ability to articulate his ideas clearly. These were valuable talents for a lawyer, a senator and a diplomat. A ready wit, the barbs that came from his seat on the other side of the chamber could be both wicked and gentle, but they were the norm.

Turning back the clock a bit, it was February 11, 1986 when he said:

We are almost in the position of asking questions for, perhaps, undergraduate students, because by the time we receive answers, they will possibly be doing post-graduate work and the answers, to borrow a word used by the Leader of the Opposition, will be mostly archival.

The message was clear. This was not to say that obfuscation and delay were tactics foreign to his talents. He was a singularly creative individual, one to whose work we paid close study, and from whom I learned a great deal. In opposition, Royce Frith was quite capable of being the cause of premature hair loss in the Speaker, not so much due to the stress of maintaining order as trying to decipher the ways in which Beauchesne and the *Rules of the Senate of Canada* had been transformed into mere bumps in a path less travelled.

His presence made the Senate a more interesting place. He challenged all of us, he contributed a great deal to the debates and he contributed both substantially and substantively to the advancement of our understanding of many issues, although we did not end in agreement on all points.

On a personal note, I annually looked forward to our end-of-year exchanges of notes.

• (1410)

Royce Frith's contribution to our society did not start with the Senate and did not end when he left this chamber, as indicated by the citation for his induction into the Order of Canada in 2001:

He has made a varied and lasting contribution to public service. As a member of the Royal Commission on Bilingualism and Biculturalism, he helped to entrench Canada's cultural and linguistic duality. A consummate diplomat, he worked tirelessly during his tenure as High Commissioner to Great Britain and Northern Ireland, to preserve our interest in one of Trafalgar Square's most stately landmarks, Canada House. Equally active in his private life, he has been a trustee of the Lester B. Pearson College of the Pacific and the Vancouver Symphony.

His passing brought to mind once again the memory of an intelligent, dedicated man who contributed to the well-being of the nation. I wish to extend to his family our sympathies and condolences. May he now he rest in peace in the bosom of Abraham.

Hon. Joyce Fairbairn: Honourable senators, it is with both sadness and joy that I join in paying tribute to one of the finest colleagues I have had in the Senate over the past 20 years. Royce Frith cut a swath through this place with a potent mix of intellect, talent, humour, stubbornness, skill and commitment that challenged the rest of us to think and act well beyond the boundaries of this chamber. His contribution as Deputy Leader of the Government and Opposition and then Leader of the Opposition was significant in good times and in difficult days such as during the GST debate. He never hesitated to engage in discussion and debate to the limit.

He was one of the most dynamic promoters of Canada I have ever met — in both official languages. It is fair to say that he made a powerful contribution to the development of the bilingual programs in this country when then Prime Minister Lester B. Pearson had the foresight to place him on the Royal Commission on Bilingualism and Biculturalism. Prime Minister Paul Martin noted on the weekend that Royce “always reminded us of the fundamental need to respect and uphold the two great languages and two great founding cultures of Canada — a vital breakthrough in the evolution of modern Canadian society.”

If a movie had ever been made of our Senate, Royce would have been a logical star. He was elegant, a great speaker with a wicked sense of humour, a fair-minded individual with well-honed intellectual skills. He was a passionate liberal, both small “I” and political “L.” A lawyer by profession, he judged most issues through the prism of rights and freedoms and fairness.

He was absolutely the right choice to send to London as our High Commissioner when he left the Senate in 1994. Sporting his snappy tweed Wessex or Deerstalker hat, he hit the waterfront of English towns in his efforts to fight the turbot war. He spoke for

Canada with vigour and a sharp humour that caught the eye of the media and the ear of European colleagues.

As I said at the time of his departure from this chamber, he had an abiding interest in culture and the arts. His other life was as an actor and musician. Many of us remember his triumphs as Henry Higgins in *My Fair Lady*, Fagan in *Oliver Twist*, the prosecutor in *Beyond Reasonable Doubt*, narrator of the *Christmas Carol* and, of course, the *Mikado*. In the words of Noel Coward, “Life is for living.” That sums up Royce. He lived it long, he lived it well, and Canada and this Senate are a better place because of him.

Royce will come home to Perth this weekend to join his late parents and son. We offer Hillary, his daughter, Valerie, and an army of friends our deepest sympathy and share with them great memories forever.

Hon. David P. Smith: Honourable senators, I am honoured to pay tribute to Royce Frith. Although I did not sit in the Senate with him, I was in caucus with him back in the Trudeau days. I knew him best from our Toronto Liberal days, which to me is a badge of honour.

Royce was a guy who always wanted to make our parliamentary system work. He was always fun during campaigns. He got his start back in an illustrious group known as Cell 13, which included as its leader Keith Davey, as well as Dan Lang and Dick Stanbury, all of whom served in the Senate. According to Peter C. Newman's book, *Grits, an Intimate Portrait of the Liberal Party*, Senator Grafstein was the youngest member of that group. It is hard to think of Senator Graftstein as a young member, but he was a young member of something once, and it was Cell 13.

Senator Kinsella referred to Royce Frith's campaign to keep Canada House on Trafalgar Square. It is a long story, but the truth is it probably would not have remained what it was without Royce. I can remember many meetings with him in London, listening to him strategize the way he used to in campaigns.

I want to mention that my wife, Heather, knew Royce her entire life. She grew up across the street from the Friths in the Leaside area of Toronto.

In recent years when I would visit Vancouver and go into the Vancouver Club for lunch, without exception Royce would walk in looking like the perfect gentleman he always was.

Hon. Lowell Murray: Honourable senators, I am glad that in addition to the memorial service in Vancouver there will be a funeral service next Saturday at the Anglican Church in Perth. I intend to be there, for Senator Frith lived in Lanark County during a good part of his time as a senator. He was, as he would have said, well and favourably known in the area and was active in quite a range of professional and cultural activities there.

I remember very early in my own residence there encountering him in the pulpit of St. Andrew's United Church in Pakenham on the occasion of their anniversary service. Still later, I took my then young family to see Royce in a star turn, a

wonderful performance of Fagan in the musical *Oliver* on the stage of one of the theatres in Perth. He was, as some of his relatives and friends noted in the obituary this week, always a terrific performer.

When Royce was Deputy Leader of the Government during the Trudeau years in the early 1980s, Deputy Leader of the Opposition and later Leader of the Opposition, Senator Doody, my seatmate, and I crossed swords with him often. Senator Doody negotiated the business of the Senate on a daily basis with Senator Frith, as Senator Firth was deputy leader of the majority party in the Senate. Senator Doody's hair was jet black before he began that process. Look at him today.

I travelled in China with Senator Frith. I socialized with him in many other climes and times. He was always an enjoyable, engaging and interesting companion and a great raconteur.

[Translation]

Senator Frith was not only a model of bilingualism, but also a steadfast defender of the concept of Canadian linguistic duality and the Official Languages Act. To this end, he was always the first to stand in the Senate to draw our attention to any and every error in our practices and to insist that our government and parliamentary institutions fully respect linguistic equality.

I extend my deepest condolences to his family and former Liberal Party colleagues.

[English]

Hon. Jeremiah S. Grafstein: Honourable senators, beyond a doubt Royce Frith was the most elegant and dashing male senator in figure and dress during my time in this chamber. He was as fussy about grammar as he was about the cut of his suits and the colour of his suits and ties. He was a vibrant member of Cell 13, organized by Toronto Young Liberals during the dark days of the 1950s and dedicated to renovating and renewing the then moribund Liberal Party. Other founding members of Cell 13 include former outstanding Senate colleagues Keith Davey, Dan Lang, Richard Stanbury and John Black Aird.

• (1420)

When I joined the Liberal Party in the early 1960s, Royce, ever the outspoken activist and strategist, was already a legendary figure — a distinguished lawyer, actor, singer, speaker, broadcaster, raconteur, gourmand, and lover of literature, plays and poetry — and a very special favourite of Mr. and Ms. Pearson.

It was Royce who was called upon to be the master of ceremonies at countless Liberal revival meetings, dinners and fundraisers. It was Royce who chaired the last public mass meeting that took place in the form of a surprise birthday party for Mr. Pearson at Maple Leaf Gardens during the 1972 election, just before Mr. Pearson passed away due to a tragic illness.

Later, when I joined Royce here in the Senate, it was a delicate matter to meet with him privately in his office just behind

this chamber, where he was usually involved in an electronic chess game with himself. You interrupted his next move at your peril.

When Royce was appointed High Commissioner to London, I told him he was the first Canadian since Vincent Massey who would not have to acquire bespoke suits tailored in Saville Row because his wardrobe already satisfied the high station of a British public figure.

Royce, ever the graceful man, full of energy, verve and wit, a connoisseur and bibliophile, could become fussy, stubborn and impatient when it came to compromising Liberal principles or policies, incorrect grammar in speech, or imprecision in legislation, either in English or French.

Honourable senators, Royce will be remembered by friends and political foes alike for the joyful pleasure of his company. He was and he will be always the essence of the definition of an honourable gentleman.

The Hon. the Speaker: Honourable senators, I regret to advise that the time for tributes has expired. However, I have on my list two senators, Senator Stollery and Senator Doody. I will see them under Senators' Statements in that order before proceeding with the list under Senators' Statements.

Hon. Peter A. Stollery: Honourable senators, I was shocked when I received the email from the Speaker that Royce had passed away. He was a terrific guy.

I did not know him as an actor. I do know that he could make a terrific dry martini. I stand today to say that I was a friend of Royce Frith for many years as we were both members of the Liberal caucus.

I have an unusual recollection of Royce. At one point I decided to become involved in Latin American affairs and started inviting important literary figures from the Spanish-speaking countries to come to Canada. Jorge Borges was one of the first to accept the invitation. He had been nominated many times for the Nobel Prize and was a world-famous literary figure, but possibly not known to everyone. However, he was known to Royce, and as soon as he learned that I had Jorge Borges here for a week, he was on to me to invite him to dinner. Royce put on quite a spread and wanted to get the books that he had — and he had most of them — autographed by the great Jorge Borges.

Honourable senators, I was saddened and shocked when I received the email.

Hon. C. William Doody: Honourable senators, I cannot let this occasion pass without saying a word or two about a gentleman whom I considered a real friend, the erudite and irrepressible Royce Frith.

He and I had occasion to lock horns in this chamber many times, and it was always an experience. I always learned a little bit, if not about parliamentary procedure, certainly about the correct use of the Queen's English.

The man was absolutely amazing, not only in terms of his bearing, his mien and his disposition, but also in his complete dedication to what he did. He provided a wonderful experience for me. I learned a lot from him and very much appreciated the opportunity to work with him.

I also appreciated, as everyone here who knew him did, his wonderful theatrical talents. I remember learning that he was to star in *My Fair Lady*, and I facetiously asked him if he was to play the role of Freddy. He flared for a minute, and then he realized who he was speaking to and settled down.

I also remember vividly the chess board in his office. I seem to associate that chess board with our late friend Peter Bosa, who used to go in there, make a move and leave to let Royce figure out what to do after he had left.

Honourable senators, my memories of Royce are many and mostly delightful. I should mention that I very much appreciated the photograph that the *Citizen* published late last week, which showed him at his puckish, Mr. Pickwickian best, smiling back over his shoulder with that roguish grin on his face. It was an absolutely delightful photograph. I will cherish it forever, just as I will his memory.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I interrupt to draw to your attention the presence in our gallery of Ms. Deidre Gordon Foster, winner of the Miss Black Teen World contest, Ms. Danielle Dolciné, winner of the Miss Black Teen Canada contest, and the organizing committee for the Miss Black Teen Canada contest.

[Translation]

They are here at the invitation of the Honourable Senator Lucie Pépin. On behalf of all senators, welcome to the Senate of Canada.

[English]

LEARNING DISABILITIES AWARENESS MONTH

Hon. Marilyn Trenholme Counsell: Honourable senators, March is Learning Disabilities Awareness Month in Canada. We have much to celebrate — learning disabilities are no longer a mystery as they were when I was child.

We have much to learn from the research and experience we have acquired, especially in the last decade; and we have much for which to hope, as far too few children with a learning disability receive the assessment and remedial teaching they require to reach their potential.

This past weekend, in St. Andrew's, New Brunswick, over 100 people came together for a learning disabilities and reading forum. This was the most successful conference ever held by the Learning Disabilities Association of New Brunswick. We wish to express heartfelt appreciation to Senator Michael Meighen and Ms. Kelly Meighen for their generosity.

[Senator Doody]

Five to 10 per cent of children in Canada and the U.S. have an invisible learning disability, leaving them stigmatized for life all too often. Thirty-five per cent become high school dropouts and far too many are destined for addiction, depression and crime.

A child with a learning disability must work five times harder in school to achieve a passing grade. Each one of us must work harder to support parents, educators and government in a societal effort to overcome the barriers faced by so many children and their families.

We can advocate in our provinces and communities. We can support parents seeking help when their child is not talking by two or three years. On average, a child should be using 50 words by 18 months. Playing rhyming games is a simple way to detect a potential problem long before the child enters school. Let there be no walls of silence around learning disabilities.

March 2005 is dedicated to informing Canadians that learning disabilities and attention deficit hyperactivity disorder are different. Each is a distinctive neurological disorder. As many as 80 per cent of children with ADHD have a learning disorder, and 30 to 40 per cent of people with a learning disability also have ADHD; yet, the two diagnoses are different and each requires special intervention. They must not be lumped together.

Each child with ADHD deserves to have his or her special attributes developed to the fullest. Creativity, intuition and empathy in abundance may lie beneath the surface, awaiting opportunity for expression. Each child with a learning disability deserves the extra effort required to provide the intensive reading program needed to succeed at school and in life.

Remember that many of these children have high IQs. If a child can crack the code surrounding words so that he or she may read, I know that we can crack the lethargy which exists, even in 2005, around learning disabilities.

• (1430)

That is the challenge of this month and of every month. The will, the funding and the effort must be greater year by year. Thousands of children are waiting. As an advocate for literacy, the joy, the power and the comfort of books is my theme.

[Translation]

The joy, the power and the comfort of books opens this door for all of us.

[English]

COMMISSION FOR AFRICA REPORT

Hon. Donald H. Oliver: Honourable senators, the Commission for Africa is a 17-member group of world leaders led by British Prime Minister Tony Blair. On March 11, the commission released its long-awaited report calling for a massive increase in international funding to help poor countries of Africa. This report was touted by the *Guardian* newspaper as the most serious analysis of Africa's problems in a generation.

The key recommendation in the 453-page report urged G8 countries to spend 0.7 per cent of their annual income on aid to Africa, with specific, measurable plans for meeting this target. Finland has said that it will reach 0.7 by 2010, France and Spain by 2012 and Britain by 2013, but even with the extra \$3.4 billion increase over the next five years that was contained in the 2005 budget, Canada's foreign aid will still only rise to 0.3 per cent of its annual GDP.

Honourable senators, I cannot think of a more significant global initiative than the recently released report by the Commission for Africa which calls for the doubling of aid, the dismantling of trade barriers, the write-off of debts and, most critically, the stamping out of corruption. The editorial in the March 14 edition of the *National Post* agreed. It stated that a strong civil service, good laws enforced by an independent judiciary, respect for human rights and an aversion to corruption must be prerequisites for effective aid.

Honourable senators, this is where I believe Canada can play an important role. As the *Globe and Mail* columnist Ken Wiwa accurately observed in his weekly column on March 12, corruption and bad governance in Africa are rooted not only in the cabinets of African governments but also in corporate boardrooms in Europe and North America.

Honourable senators, Canada is part of the G20, a forum of 20 industrialized and emerging market nations that work to foster worldwide economic prosperity. Canada can and should be a leader among the G20 nations in teaching and applying good governance principles to how industrial nations and emerging market countries contribute aid to Africa. Meeting the Commission for Africa's aid benchmark of 0.7 per cent of Canada's annual GDP income would be a good place to start.

SRI LANKA

VISIT BY CANADA-SRI LANKA BUSINESS COUNCIL AND CANADA-SRI LANKA PARLIAMENTARY FRIENDSHIP GROUP

Hon. Joseph A. Day: Honourable senators, I would draw to your attention a matter of some historical importance. Last week, a joint delegation of the Canada-Sri Lanka Business Council and the Canada-Sri Lanka Parliamentary Friendship Group visited Sri Lanka. The purpose of the visit was business development.

The delegation had been planning this trip for some time prior to the tsunami. The tsunami devastation is well known to all of us, honourable senators. Over 30,000 were killed; 1 million Sri Lankans were displaced from their homes; and 197 schools and 92 health facilities were destroyed. There is some indication of recovery and rebuilding following the tsunami devastation, but many people are still living in temporary camps. Indeed, some are finding temporary shelter in schools.

We were complimented on the performance of our Disaster Assistance Response Team, DART, in Sri Lanka.

An item of interest to senators relates to the train that was swept off the tracks by the tsunami. The name of the locomotive is the *Manitoba*. That was a gift from Canada during the Colombo Plan in 1950. That locomotive is still operating and the trains are back on track.

Honourable senators, the business council delegation was made up of Tamils, Sinhalese, Christians, Muslims and Hindu, all ex-patriot Sri Lankans living here in Canada who had seen how one can progress socially and economically in a diverse, pluralistic society under a federal system. We discussed that issue at length.

There is no direct tie-in, honourable senators, between the civil war that had been going on for some period and the tsunami relief, but indirectly there is some link. The parties had not discussed the civil war for almost three years, and we were told that, had it not been for the tsunami, that war might well have broken out again.

We would urge our government and others to recognize that encouraging the parties to talk about rebuilding and redevelopment following the tsunami is an opportunity to plan and build for the future.

On behalf of the Senate, I thank the Canada-Sri Lanka Business Council for its initiative and assistance to the Sri Lankan people and to world peace and development.

[Translation]

INTERNATIONAL DAY OF THE FRANCOPHONIE

Hon. Rose-Marie Losier-Cool: Honourable senators, Sunday, March 20, was International Day of the Francophonie. Last Sunday, I was at home in Tracadie-Sheila, New Brunswick. I was representing the Minister of Canadian Heritage, the Honourable Liza Frulla, on this day which has a very special place in my heart and that of my fellow Acadians.

French is a beautiful and marvelous language. Many of us speak it and love it. It certainly has its place in the Senate.

French is one of our two official languages in Canada and New Brunswick. French is well respected in our country and, as francophones, we consider ourselves lucky.

However, the Francophonie is bigger than Acadia, bigger than New Brunswick and bigger than Canada. It includes over 70 countries with French as a common language, and not all these countries necessarily accord French the same status Canada does.

Last week I was in Louisiana, and I must say I greatly admire the Cajuns. They are to be commended for having been able to resist the enormous anglophone American machine, English TV, English radio and everything else that puts their culture at risk of assimilation, but theirs is a difficult struggle. We hear and see increasing evidence of how English is making inroads, and I share the fears of my Cajun friends. That is why our Acadians are a wonderful example that I would like to see the international Francophonie come to know, acknowledge and imitate. We

Acadians have managed to protect our French, thanks to our determination and to great leaders such as the Honourable Louis Robichaud. Today we are proud to use our French from coast to coast.

Yes, the battle to hold our ground continues, but we have faith in our future in French. To win a battle, however, people have to be willing and able to fight. In other parts of the Francophonie, some countries are no longer willing, and they are allowing English to gradually but inexorably take over from French. I am thinking here of such bastions of French as France. There are other regions, like Louisiana, where French speakers want to continue the battle but are unable to do so.

As a member of the Francophonie, Canada has a duty to do all that it can to defend French, not only within its own borders, which it does well, incidentally, but also within the borders of its friends. I have already spoken here about my conviction that Canada has a lead role to play within the international Francophonie, and I maintain that conviction. If we can help out our francophone friends and colleagues in difficulty, let us do so. After all, French is the key to an immense transnational culture.

• (1440)

ROUTINE PROCEEDINGS

PARLIAMENTARY DELEGATION TO UNITED ARAB EMIRATES, BAHRAIN AND UNITED KINGDOM

JANUARY 13-21, 2005—REPORT TABLED

Hon. Daniel Hays: Honourable senators, with your permission, I have the honour to table a report on a parliamentary delegation that I led which travelled to the United Arab Emirates from January 13 to 16, 2005, to the Kingdom of Bahrain from January 16 to 19, and to the United Kingdom from January 19 to 21.

[English]

INAUGURATION OF PRESIDENT OF AFGHANISTAN

REPORT OF CANADA'S REPRESENTATIVE TABLED

Hon. Daniel Hays: Honourable senators, with leave of the Senate, I have the honour to table a report of my trip to Kabul, Afghanistan, on December 7, 2004, to represent Canada at the inauguration of the President of Afghanistan, Hamid Karzai.

Hon. Fernand Robichaud (The Hon. the Acting Speaker): Honourable senators, is leave granted?

Hon. Senators: Agreed.

[Senator Losier-Cool]

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

SIXTH REPORT OF COMMITTEE PRESENTED

Hon. George J. Furey, Chair of the Standing Committee on Internal Economy, Budgets and Administration, presented the following report:

Tuesday, March 22, 2005

The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

SIXTH REPORT

Your Committee recommends that the following funds be released for fiscal year 2005-2006.

Agriculture and Forestry (Legislation)

Professional and Other Services	\$ 2,400
Transport and Communications	\$ 1,000
Other Expenditures	\$ 1,300
Total	\$ 4,700

Energy, the Environment and Natural Resources (Legislation)

Professional and Other Services	\$ 18,000
Transport and Communications	\$ 0
Other Expenditures	\$ 2,000
Total	\$ 20,000

Foreign Affairs (Legislation)

Professional and Other Services	\$ 3,000
Transport and Communications	\$ 750
Other Expenditures	\$ 750
Total	\$ 4,500

Scrutiny of Regulations (Legislation)

Professional and Other Services	\$ 2,820
Transport and Communications	\$ 1,650
Other Expenditures	\$ 2,640
Total	\$ 7,110

Social Affairs (Legislation)

Professional and Other Services	\$ 6,000
Transport and Communications	\$ 0
Other Expenditures	\$ 2,000
Total	\$ 8,000

Transport and Communications (Legislation)

Professional and Other Services	\$ 10,000
Transport and Communications	\$ 0
Other Expenditures	\$ 2,000
Total	\$ 12,000

Respectfully submitted,

GEORGE J. FUREY
Chair

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Furey, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

SEVENTH REPORT OF COMMITTEE PRESENTED

Hon. George J. Furey, Chair of the Standing Committee on Internal Economy, Budgets and Administration, presented the following report:

Tuesday, March 22, 2005

The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

SEVENTH REPORT

Your Committee recommends a 2.5 per cent economic increase effective April 1, 2004, a 2.4 per cent economic increase effective April 1, 2005, and minor changes to the terms and conditions of employment to unrepresented employees of the Senate Administration.

Respectfully submitted,

GEORGE J. FUREY
Chair

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Furey, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

BUDGET—REPORT OF COMMITTEE ON STUDY OF ISSUES RELATED TO MANDATE PRESENTED

Hon. Tommy Banks, Chair of the Standing Senate Committee on Energy, the Environment and Natural Resources, presented the following report:

Tuesday, March 22, 2005

The Standing Senate Committee on Energy, the Environment and Natural Resources has the honour to present its

SIXTH REPORT

Your Committee, which was authorized by the Senate on Tuesday, October 19, 2004, to examine and report on emerging issues related to its mandate, respectfully requests the approval of funds for fiscal year 2005-06.

Pursuant to Chapter 3:06, section 2(1)(c) of the *Senate Administrative Rules*, the budget submitted to the Standing

Committee on Internal Economy, Budgets and Administration and the report thereon of that Committee are appended to this report.

Respectfully submitted,

TOMMY BANKS
Chair

(*For text of budget, see today's Journals of the Senate, Appendix A, p. 624.*)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Banks, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[*Translation*]

TRANSPORT AND COMMUNICATIONS

BUDGET—REPORT OF COMMITTEE ON STUDY OF MEDIA INDUSTRIES PRESENTED

Hon. Joan Fraser, Chair of the Standing Senate Committee on Transport and Communications, presented the following report:

Tuesday, March 22, 2005

The Standing Senate Committee on Transport and Communications has the honour to present its

FIFTH REPORT

Your Committee, which was authorized by the Senate on Tuesday, October 19, 2004, to examine and report on the current state of Canadian media industries; emerging trends and developments in these industries; the media's role, rights, and responsibilities in Canadian society; and current and appropriate future policies relating thereto, respectfully requests the approval of funds for fiscal year 2005-06.

Pursuant to Chapter 3:06, section 2(1)(c) of the *Senate Administrative Rules*, the budget submitted to the Standing Committee on Internal Economy, Budgets and Administration and the report thereon of that Committee are appended to this report.

Respectfully submitted,

JOAN FRASER
Chair

(*For text of budget, see today's Journals of the Senate, Appendix B, p. 632.*)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Fraser, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[English]

TELEFILM CANADA ACT

BILL TO AMEND—REPORT OF COMMITTEE

Hon. Joan Fraser, Chair of the Standing Senate Committee on Transport and Communications, presented the following report:

Tuesday, March 22, 2005

The Standing Senate Committee on Transport and Communications has the honour to present its

SIXTH REPORT

Your Committee, to which was referred Bill C-18, *An Act to amend the Telefilm Canada Act and another Act*, has, in obedience to the Order of Reference of Wednesday, February 23, 2005, examined the said Bill and now reports the same without amendment. Your Committee appends to this report certain observations relating to the Bill.

Respectfully submitted,

JOAN FRASER
Chair

Observations to the Sixth Report of the Standing Senate Committee on Transport and Communications (Bill C-18)

Your Committee notes that the Bill does not include specific definitions of the audio-visual and sound recording industries. Your Committee further observes that clarity is always desirable in legislation. Your Committee notes, however, that the Minister has undertaken to include specific definitions in the new Act, which will be forthcoming, to modernize Telefilm Canada.

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

On motion of Senator Chaput, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

THE ESTIMATES, 2004-05

REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (B) PRESENTED

Hon. Donald H. Oliver, Chairman of the Standing Senate Committee on National Finance, presented the following report:

Tuesday, March 22, 2005

The Standing Senate Committee on National Finance has the honour to present its

FOURTH REPORT

Your Committee, to which was referred the Supplementary Estimates "B" 2004-05, has, in obedience

to the Order of Reference of Monday, March 7, 2005, examined the said estimates and herewith presents its report.

Respectfully submitted,

DONALD H. OLIVER
Chairman

(For text of report, see today's Journals of the Senate, Appendix C, p. 640.)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Oliver, with leave of the Senate and notwithstanding rule 58(1)(g), report placed on the Orders of the Day for consideration later this day.

REPORT OF NATIONAL FINANCE COMMITTEE ON MAIN ESTIMATES PRESENTED

Hon. Donald H. Oliver, Chairman of the Standing Senate Committee on National Finance, presented the following report:

Tuesday, March 22, 2005

The Standing Senate Committee on National Finance has the honour to present its

FIFTH REPORT

Your Committee, to which was referred the Estimates 2004-2005, has, in obedience to the Order of Reference of Wednesday, October 20, 2004, examined the said estimates and herewith presents its report.

Respectfully submitted,

DONALD H. OLIVER
Chairman

(For text of report, see today's Journals of the Senate, Appendix D, p. 654.)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Oliver, with leave of the Senate and notwithstanding rule 58(1)(g), report placed on the Orders of the Day for consideration later this day.

THE ESTIMATES, 2005-06

FIRST INTERIM REPORT OF NATIONAL FINANCE COMMITTEE ON MAIN ESTIMATES PRESENTED

Hon. Donald H. Oliver, Chairman of the Standing Senate Committee on National Finance, presented the following report:

Tuesday, March 22, 2005

The Standing Senate Committee on National Finance has the honour to present its

SIXTH REPORT

Your Committee, to which was referred the Estimates 2005-2006, has, in obedience to the Order of Reference of Monday, March 7, 2005, examined the said estimates and herewith presents its first interim report.

Respectfully submitted,

DONALD H. OLIVER
Chairman

(For text of report, see today's Journals of the Senate, Appendix E, p. 664.)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Oliver, with leave of the Senate and notwithstanding rule 58(1)(g), report placed on the Orders of the Day for consideration later this day.

• (1450)

NATIONAL SECURITY AND DEFENCE

NOTICE OF MOTION TO AUTHORIZE COMMITTEE
TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Tommy Banks: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on National Security and Defence be empowered, in accordance with rule 95(3), to sit on Tuesday, April 5, and Wednesday, April 6, even though the Senate may then be adjourned for a period exceeding one week.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE
TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Tommy Banks: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on National Security and Defence be empowered, in accordance with rule 95(3) to sit on Monday, April 11, 2005, even though the Senate may then be adjourned for a period exceeding one week.

HUMAN RIGHTS

NOTICE OF MOTION TO AUTHORIZE COMMITTEE
TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. A. Raynell Andreychuk: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, pursuant to rule 95(3), the Standing Senate Committee on Human Rights be authorized to meet on Monday, April 11, 2005, even though the Senate may then be adjourned for a period exceeding one week.

QUESTION PERIOD

PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

HALIFAX PORT AUTHORITY—CUTBACK IN NUMBER
OF PATROLLING POLICE OFFICERS

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, Roman history has it that March 15 is not always a good day for Senate work. This past ides of March saw the government cut down the Standing Senate Committee on National Security and Defence on its report entitled, *Canadian Security Guide Book*. On that day it was announced that the number of Halifax regional police officers patrolling the Halifax port would be cut from nine to three. The CBC stated that the security force:

... is about to be scaled back to only three officers patrolling the water and the entire port. Starting in two weeks, there will be no officers working the night shift and no water patrols on weekends.

Can the Leader of the Government in the Senate explain why Canada's largest port on the Atlantic Ocean will be left virtually undefended?

Hon. Jack Austin (Leader of the Government): Honourable senators, the port authority is an autonomous authority that acts in the management of the port, free of direction from the Government of Canada. However, I would be pleased to make inquiries in the hope that I can provide some assistance.

Senator Kinsella: I thank the honourable minister for that undertaking because, as honourable senators know, we do not want Halifax, the only Canadian port with dedicated policing resources on site, to have those resources cut.

I made reference to the good work of our colleagues on the Standing Senate Committee on National Security and Defence. The report that the committee tabled in this chamber, *Canadian Security Guide Book*, repeated its 2003 recommendations which were that port policing is a national responsibility and that the RCMP should be the lead police force with "adequate funding to combat security breaches caused by the presence of organized crime at those ports."

With respect to the need for security vigilance in this era of terrorism, when might we hear from the government about whether it will follow the recommendations of our committee and properly fund the existing RCMP national port enforcement teams in Halifax, Montreal and Vancouver and set up teams in Canada's remaining ports?

Senator Austin: Honourable senators, on March 15, 2005, the ides of March, the government announced a marine security program with new projects to enhance security at Canadian ports and marine facilities. This program is called the Marine Security Contribution Program. It is a three-year, \$115-million program that will help Canada's ports and marine facilities modernize and strengthen their security systems. It is part of a \$308-million national security policy, which was announced April 27, 2004. This first round of funding, announced on March 15, 2005, will

provide \$23.6 million to 69 ports and marine facilities across the country to be used for security enhancement, such as surveillance equipment, dockside and perimeter security, command, control and communications equipment and training. There will be a second round of funding starting in April 2005.

PORT SECURITY—FUNDING FOR POLICE OFFICERS

Hon. J. Michael Forrestall: Could the Leader of the Government in the Senate translate that into fiscal years of employment of live police officers, not wire fences and cameras?

Hon. Jack Austin (Leader of the Government): Honourable senators, I would have to go back to my first answer to Senator Kinsella. The port is managed, including its security programs, by an autonomous port authority, and questions relating to security decisions are the responsibility of that authority. I have information that I can provide, but I will not, at the moment, go into detail with respect to all of the ports of Nova Scotia.

However, with respect to the port of Halifax, one contract amounting to \$115,207 has been awarded for perimeter security and access control measures, security and surveillance equipment, and command, control and communications equipment. Another contract was awarded to the Halifax Port Authority for \$220,108 for similar purposes, as well as a final contract for the same purpose in the amount of \$31,405.

• (1500)

Substantial sums are also given to other ports in Nova Scotia for the same security purposes, such as Point Tupper, \$387,734; and Sydney, a batch of contracts that total in excess of \$160,000.

Senator Forrestall: Honourable senators, without attributing the responsibility for the situation we find ourselves in to the federal government alone, would the minister not now acknowledge that the funding brought forward a year ago last April — hopefully to be followed by more — so far does not provide for the employment of any police officers?

Senator Austin: Honourable senators, I cannot confirm that because I am not familiar with how the funds for security have been applied by the various port authorities. What I have been talking about clearly relates to equipment, and I am sure the honourable senator would agree that this equipment is essential to port security. That is not enough, and more needs to be done with respect to port security. That is the view of our Standing Senate Committee on National Security and Defence. I believe that very good work is being done by that committee.

CANADA-UNITED STATES RELATIONS

VISIT BY PRIME MINISTER— COMPOSITION OF MINISTERIAL DELEGATION

Hon. Donald H. Oliver: Honourable senators, my question is for the Leader of the Government in the Senate. The Prime Minister travels to Texas today to meet with U.S. President George W. Bush and Mexican President Vicente Fox. According to a news release issued by the Prime Minister's Office on Monday, Prime

Minister Martin will be accompanied by Deputy Prime Minister Anne McLellan, Industry Minister David Emerson and Foreign Affairs Minister Pierre Pettigrew. International Trade Minister James Peterson and Agriculture Minister Andy Mitchell are not part of the Canadian delegation.

Given the Prime Minister's promise to push issues such as softwood lumber and getting the border opened to Canadian cattle, would the minister explain why these two ministers are being left behind?

Hon. Jack Austin (Leader of the Government): Honourable senators, there are two phases to the Prime Minister's visit to Waco, Texas, and to the ranch of President Bush. There is a phase in their discussion that will deal with bilateral issues. The Prime Minister is well aware of the nature of those bilateral issues and is capable, I assure honourable senators, of advocating Canada's interests.

The multilateral elements will involve discussions relating to North American security and the development of the trilateral relationship. Ministers McLellan, Pettigrew and Emerson are significant to a discussion of that kind.

VISIT BY PRIME MINISTER— BOVINE SPONGIFORM ENCEPHALOPATHY AND SOFTWOOD LUMBER AS AGENDA ITEMS

Hon. Donald H. Oliver: Honourable senators, softwood lumber and BSE are major items that call for ministerial attention.

Following the Liberal caucus meeting of January 27 in Fredericton, New Brunswick, the Prime Minister said that he would try to schedule a meeting with President George W. Bush and President Vicente Fox for a summit to negotiate change to the North American Free Trade Agreement.

According to the *National Post* of January 28:

The Prime Minister said he raised the need for a meeting with Mr. Bush when he visited Ottawa in November, citing the repeated challenges in the ongoing softwood lumber dispute with the U.S. and the mad cow crisis as items that need to be addressed to make the trade agreement work for the betterment of the continent.

From today's papers we learned that if the subjects of BSE and softwood lumber are raised at all, it might be over lunch.

Why are these two key issues not part of the formal agenda for the meeting?

Hon. Jack Austin (Leader of the Government): Honourable senators, perhaps Senator Oliver is not aware that in the last few weeks of this year both Ministers Peterson and Mitchell were in Washington leading delegations and discussing, in the first instance, softwood lumber and, in the second instance, the BSE issue.

Those discussions were held with their U.S. counterparts.

Senator Oliver: Were those discussions with the President?

[Senator Austin]

Senator Austin: Those discussions were with their counterparts in the U.S. cabinet, and with members of the Congress who are very important in terms of trade issues. The Prime Minister will be addressing those two issues in his bilateral discussions with the President.

FINANCE

ESCALATION IN USE OF OFFSHORE TAX HAVENS

Hon. David Tkachuk: Honourable senators, last week Statistics Canada revealed that Canadian direct investment in offshore tax havens has soared eight-fold since 1990 to reach a whopping \$88 billion in 2003.

More than two years ago, in her 2002 report, the Auditor General warned the government that the use of tax havens was escalating. The government's response was to recite a list of measures taken to curb the problem.

Is the government planning to treat this latest revelation as a wake-up call, or does it plan to keep these loopholes open at the same time that it keeps our tax rates well above those of our competitors?

Hon. Jack Austin (Leader of the Government): Honourable senators, I am not in any way accepting the conclusion of Senator Tkachuk that investment practices by Canadian individuals and entities have anything to do with tax rates in Canada. Canada has an adequate capital market. Canada is also a normal investor in foreign countries. It is often the case that trade follows investment.

If Senator Tkachuk has a particular problem to point to, I would be interested to hear it.

Senator Tkachuk: The recent budget did shave a few points off the corporate tax rates, but Canadians, including the owners of Canada Steamship Lines, have placed \$25 billion direct investment in Barbados alone.

Perhaps the leader could advise the Senate as to why the government has failed to take any action to date that would make a dent in the use of offshore tax havens. For example, why has the government not suspended the Canada-Barbados Tax Treaty, or does the owner of Canada Steamship Lines like the status quo?

Senator Austin: Honourable senators, the reference to a particular corporate entity or taxpayer is unwarranted in any circumstance, and that is an improper use of the privileges of this chamber.

With respect to the rest of the question of Senator Tkachuk, I am sure the honourable senator is aware that Americans, Europeans and other business entities use tax havens all over the world. Canada's economic interests must be competitive. Canada's capital must be competitive with those foreign investment practices. To do otherwise would be another policy by Senator Tkachuk to withdraw support from Canadian business, and perhaps by others on whose behalf he may be speaking.

Senator Tkachuk: Honourable senators, much of the money invested in these offshore tax havens is borrowed in Canada and is fully deductible against Canadian income. In 1997, the Technical Committee on Business Taxation, headed by Jack Mintz, recommended to then Finance Minister Paul Martin that our tax laws disallow a deduction on debt incurred to invest in a foreign affiliate. Two years ago, the Auditor General said in her 2002 report, "there is still an incentive for Canadian subsidiaries of foreign-owned multinationals to borrow in Canada."

Would the Leader of the Government in the Senate tell honourable senators why the loophole remains open?

Senator Austin: Honourable senators, I am not suggesting for a moment that this is a loophole. I am suggesting that the ability of Canadians to invest capital offshore is part of the normal operation of international commerce. Canadians must be able to take advantage of Canadian laws and foreign laws within the appropriate and legal limits of those laws. There is no allegation here that anyone is acting contrary to the laws of Canada or any other jurisdiction.

Senator Tkachuk may wish to quarrel with a globalized financial system that exists for international business around the globe, and that is fine. The matter of the current tax system that allows Canadian capital to go offshore is not an exceptional one.

• (1510)

Senator Tkachuk: Honourable senators, Jack Mintz and the Auditor General seemed to think there was a problem with it. Perhaps these reductions would reduce the gaps, and perhaps we could get Canada Steamship Lines and other such companies to reflag their vessels right here in Canada.

Senator Austin: Honourable senators, it is the government's view that the present tax regime is satisfactory with respect to offshore investment. All policies of a tax nature are continuously under review.

HEALTH

CANADIAN FOOD INSPECTION AGENCY— BRITISH COLUMBIA AVIAN FLU OUTBREAK— JURISDICTIONAL PROBLEMS

Hon. Pat Carney: Honourable senators, my question relates to a report by a scientific adviser with the Canadian Food Inspection Agency, CFIA, that concluded that the jurisdictional confusion between various levels of government led to the spread of avian flu during the avian flu crisis in B.C. in 2004. The Canadian Food Inspection Agency confirmed the first cases of avian flu in the Fraser Valley in February 2004 and, as we are all aware, the World Health Organization, WHO, has warned of a possible pandemic of this flu.

The CFIA report says that there was a lack of clarity about who made key decisions and there was weak coordination with outside federal and provincial agencies. What concrete measures is the federal government taking to adjust these jurisdictional problems, should a similar crisis occur in the future, as anticipated by the WHO?

Hon. Jack Austin (Leader of the Government): Honourable senators, it is my understanding that an agreement on procedure in a similar situation has been arrived at between the federal government and the Province of British Columbia.

CANADIAN FOOD INSPECTION AGENCY—
BRITISH COLUMBIA AVIAN FLU OUTBREAK—
DISTRIBUTION OF BIO-SECURITY EQUIPMENT

Hon. Pat Carney: Honourable senators, it would be useful to know what that procedure is in order that we can respond to it.

The CFIA report concluded that lax bio-security led to the spread of avian flu during the 2004 crisis in B.C. The report followed a lessons-learned review of earlier this year that concluded that during the crisis CFIA workers at infected farms wore full biological safety gear while farm employees had none. If safety gear is sauce for the government goose, will safety gear be offered to the private sector gander? What specific emergency plans to provide Canadian citizens with bio-security equipment and services can the minister share with us?

Hon. Jack Austin (Leader of the Government): Honourable senators, I cannot answer the question with respect to specific plans to equip farm workers with the same level of bio-security as CFIA officials had. I will look into the question of the details of the agreement and hope to be able to provide Senator Carney with some additional information.

TRANSPORT

BANKRUPTCY OF JETSGO AIRLINES

Hon. Marjory LeBreton: Honourable senators, my question relates to the recent collapse of the discount airline Jetsgo. The manner in which the Minister of Transport has handled this file has come under heavy criticism. Thousands of passengers across Canada and in other parts of North America were stranded. Former Jetsgo employees could not cash their paycheques and the transport minister left the country soon after the airline went under. As well, there have been calls in Canada, including from the Consumers' Association of Canada, for Transport Minister Jean Lapierre to resign.

Can the Leader of the Government in the Senate tell us what lessons, if any, the government has learned from what happened with Jetsgo? When an airline shuts down in such a disorderly fashion, is the federal government completely powerless? Could the government not have done more to warn consumers about Jetsgo's fragile state prior to its shutdown?

Hon. Jack Austin (Leader of the Government): Honourable senators, first, I do not agree that there was heavy criticism of the Minister of Transport. A number of articles that appeared in newspapers and on television said that this was a matter entirely in the private sector, and that there was no role the Minister of Transport could have played in this shutdown.

The Government of Canada was not given notice by the managers of Jetsgo that they planned to shut this airline down. If the Government of Canada had such notice, there was nothing it

could do to prevent the airline from being shut down. Jetsgo operates entirely in the private sector and under the business rules of that sector.

AIRPORT AUTHORITIES—RENTAL FEES

Hon. Marjory LeBreton: Honourable senators, under the watch of the Liberal government, Jetsgo was the tenth domestic air carrier to fold in 12 years. Without getting into the specifics of what happened with Jetsgo, it seems clear that Liberal air transport policy is a dismal failure. Airlines are hamstrung by high taxes, including the air security tax, and airports are being squeezed for cash by government rent charges. Airports are scheduled to pay \$305 million in rent in 2005. This figure increases by 20 per cent in 2006 to \$367 million. The \$145 million annual rent burden at Pearson International Airport has helped make that airport the second most expensive in the world at which to land a plane. The federal government provides nothing in return for the money. Rent costs get passed along to the airlines and passengers in the fees and charges that they pay.

When will this government finally get serious about addressing its dismal air transport policy and what, if anything, is it planning to do to address this urgent situation?

Hon. Jack Austin (Leader of the Government): Honourable senators, the government's air transport policy was inherited, in part, from the Mulroney government, particularly with respect to the offloading of airports. Having said that, I want to make clear to the chamber that the Jetsgo situation and airport rents are not related. I want to make clear to the chamber that the airline industry in North America has been under enormous stress due to the events of September 11, 2001 in New York, due to increases in the cost of fuels and due to the decline in the use of air transport by passengers across North America. Five U.S. airlines are still operating under bankruptcy protection. Air Canada operated under bankruptcy for two years before it was able to reorganize its finances. This is the way the industry is operating today.

I find very interesting the implied premise of Senator LeBreton that the state should step back into the marketplace and play a role in commercial activities in that market and wonder if she is speaking for her political party.

PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

TRAINING OF PALESTINIAN SECURITY FORCES

Hon. J. Michael Forrestall: Honourable senators, can the Leader of the Government in the Senate tell us whether the Government of Canada has offered either military personnel or RCMP to help train Palestinian security forces? If so, what plans have been put in place for deployment? When would they go; how much money has been set aside for this; will there be any recovery; and what would be the withdrawal plan?

Hon. Jack Austin (Leader of the Government): Honourable senators, I have no information on that matter. Senator Forrestall is often ahead of the curve on these questions. I will make inquiries. I know that Canada is looking to play a helpful role with the parties in the Palestine-Israel situation, as we are with respect to assisting the new Iraqi government, particularly in areas related to training police.

I will do my best to provide Senator Forrestall with details on that matter.

• (1520)

POINT OF ORDER

SPEAKER'S RULING

The Hon. the Speaker: Honourable senators, before proceeding further, I would like to make a statement relating to BlackBerry interference with the audio system.

On Wednesday, March 9, Senator Bryden raised a point of order to complain about sound interference that has been occurring lately several times every sitting day. Some other honourable senators joined in on the point of order which quickly focused on the growing use of BlackBerries in the chamber as the possible source of the problem.

[Translation]

At the time, I agreed that the problem is an annoyance that can interfere with a senator's ability to listen to and participate in debate. I also said that I would ask the table to investigate the matter further.

In the time that has elapsed, the Information Systems Directorate has conducted a study of the problem and has prepared a brief report which I have had distributed to all senators.

[English]

Informatics has confirmed that certain types of BlackBerries can create problems with the sound system that we use in this chamber. While I do not pretend to understand all aspects of this problem, it seems to be that certain BlackBerries use wireless technology that causes feedback problems with the Senate's sound system. These same BlackBerries are causing similar problems in the House of Commons and its committees. As a consequence, the House has issued an instruction to turn off certain BlackBerry devices when members are in the chamber or in committees. I do not know if the Senate will want to take the same course of action.

[Translation]

In saying this, I am reminded of the intervention of Senator Joyal on March 9. The honourable senator correctly cited rule 19(4) prohibiting the introduction of any electronic device which produces any sound. In this case the Blackberries do not actually produce the sound, but cause a sound to be produced by interfering with the Senate's audio system.

[English]

For the time being, I should ask honourable senators to be mindful of the BlackBerry models that have been identified by the Information Systems Directorate as the source of this feedback problem. If honourable senators who possess BlackBerries with the wireless platform that causes interference can turn them off when in the chamber, it should go some way in reducing the problem of interference.

I want honourable senators to know that I also intend to bring this matter to the Speaker's Advisory Committee for their advice as to the best approach for establishing an effective solution to this problem.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I have to confess that I am one of those who is guilty of using a Rogers BlackBerry in this chamber, as you can hear. It does not cause interference if you keep it away from a live mike. If you are going to speak, keep it under the desk. If you use the BlackBerry in this chamber, it must be turned off when you speak.

PAGES EXCHANGE PROGRAM WITH HOUSE OF COMMONS

The Hon. the Speaker: Before I proceed, I would like to welcome a visiting page from the House of Commons, Flora Lafferthson. She is pursuing her studies at the University of Ottawa. Ms. Lafferthson is from Toronto, Ontario.

Welcome to the Senate.

ORDERS OF THE DAY

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT

BILL TO AMEND—THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Carstairs, P.C., seconded by the Honourable Senator Pépin, for the third reading of Bill C-39, to amend the Federal-Provincial Fiscal Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment.

Hon. Wilbert J. Keon: Honourable senators, Bill C-39 will amend the Federal-Provincial Fiscal Arrangements Act to implement the First Ministers' Health Accord of September 2004, known as the 10-year plan to strengthen health care.

Bill C-39 is the structural framework for the intelligent expenditure of \$41 billion over that 10-year period. As I mentioned previously, this bill deserves our unanimous support and should be passed quickly so the provinces can get on with the reforms that this money makes possible.

I rise again today, however, to draw attention to the need to exercise caution in the way in which this money is released. I join Senator Carstairs in her concerns about the infusion of these large sums of health care dollars without careful accountability.

The pressing issues of strengthening primary care and community care have not received adequate attention. If we are ever to see meaningful and lasting change, we must develop primary care at the community level where we can intelligently deal with access, emergency care, home care, palliative care and public health issues.

There will be no quick fix for our health care system, and money alone is not the solution. We must dedicate ourselves to the constant monitoring and assessment of the progress that these huge expenditures are achieving.

What will be the effect of the new higher base of \$19 billion for the Canada Health Transfer, the \$500 million for catastrophic drug coverage, first-dollar coverage for home care, acute community home care, end-of-life care, the automatic escalator of 6 per cent per year, reductions of long wait times for tests and treatments, and the doubling of cash transfers over 10 years? How effective will these initiatives be?

Health is an issue for everyone, so I ask all honourable senators to join me in carefully observing what transpires. We have an opportunity for review in 2008, and we must be well prepared. However, we cannot wait that long. We must be vigilant on an ongoing basis so that this great opportunity for significant change does not get lost. This is a huge investment in health care. We must be sure we get optimal results.

The Hon. the Speaker: No senator rising to speak or address the matter further, I ask honourable senators if they are ready for the question to be put.

Some Hon. Senators: Question!

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

Motion agreed to and bill read third time and passed.

STATISTICS ACT

BILL TO AMEND—THIRD READING— MOTION IN AMENDMENT—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Rompkey, P.C., seconded by the Honourable Senator Losier-Cool, for the third reading of Bill S-18, to amend the Statistics Act;

And on the motion in amendment of the Honourable Senator Comeau, seconded by the Honourable Senator Cochrane, that Bill S-18 be not now read a third time but that it be amended in clause 1, on page 1, by replacing line 8, with the following:

“between 1910 and 1918 is no longer subject to”.

Hon. John Lynch-Staunton: Honourable senators, I should like to speak to the amendment and, in general terms, to the bill itself.

When questioned by Senator Comeau at the committee that was holding hearings on this bill on February 24 as to why the Chief Statistician supported Bill S-18 after being the one whose signature on census forms assured respondents of confidentiality, Mr. Ivan Fellegi replied:

I shared your view, and I acted on that belief. That was the advice we had received from the Department of Justice until some years ago — although I do not remember the exact date that it was changed. I received a clear change of perspective from the Department of Justice.

• (1530)

Justice has a bad habit of tailoring opinions to suit its client. Anyone who remembers the Pearson bill and the Airbus affair, amongst other Department of Justice embarrassments, to put it mildly, is better off relying on his or her own judgment, which is why I ask colleagues to do so as I introduce a number of firm government pledges of confidentiality made over many decades and which this government, with Bill S-18, is shamelessly urging be repealed.

No Department of Justice opinion can contradict the obvious meaning of what has been pledged since 1918 when an act respecting the Dominion Bureau of Statistics was passed. Subsection 15(1) states:

No individual return, and no part of an individual return, made, and no answer to any question put, for the purposes of this Act, shall, without the previous consent in writing of the person or of the owner for the time being of the undertaking in relation to which the return or answer was made or given, be published, nor, except for the purposes of a prosecution under this Act, shall any person not engaged in connection with the Census be permitted to see any such individual return or any such part of any individual return.

The 1931 Proclamation of the Census, published in the *Canada Gazette*, contains the following paragraph:

The sole purpose of the Census is to secure general statistical information regarding the population, agriculture, and trade of the country, and information is required from individuals only to permit the completion of such general statistics. The Census cannot be used in connection with taxation, with military or jury service, with the compulsion of school attendance, with the regulation of immigration or with the enforcement of any national, state or municipal law or by-law. For the due protection of the rights and interests of the persons furnishing information, every officer, agent or other person employed by the Dominion Bureau of Statistics is bound by oath under a heavy penalty to keep inviolate the information entered on the schedule or forms.

Following the 1941 census, page 17 of the statisticians' report under the heading, “Secrecy of the Census,” states: “The answers given by the individual to census questions are in every instance held absolutely confidential.” It more or less goes on to the sentiments that I quoted earlier.

Regulation 31 has the reference, “Secrecy of census information provided for” and it reads as follows:

Every officer or other person employed as census commissioners, census enumerator, or any other capacity under the Statistics Act is required to keep inviolate the secrecy of the information gathered from the public and entered on the schedules or forms. An enumerator is not permitted to show his schedules to any other person, nor to make or keep a copy of them, nor to answer any questions respecting their contents, directly or indirectly; and the same obligation of secrecy is imposed upon commissioners and other officers of the outside service, as well as upon every officer, clerk or other employee of the Dominion Bureau of Statistics at Ottawa. The custody of census and other statistical records pertains solely to the Bureau, the Act expressly stating that no individual report or return shall be published or divulged. Moreover, no officer or employee of the bureau is permitted to make a search among the records for information relating to an individual return, except for purposes of verification under the Act. The facts and statistics of the census may not be used except for statistical compilations.

Since 1918, there have been repeated pledges of confidentiality and secrecy.

Under the heading at the top of the page for the 1941 Census of Agriculture, in bold print we see the following: "The information on this report will not be used as a basis for taxation, nor communicated to any assessor or other government department."

In 1948, An Act respecting the Dominion Bureau of Statistics was passed with pretty much the same language with respect to secrecy provisions.

In 1971, an answer booklet was published by the Dominion Bureau of Statistics, and one question was: "How do I know that the information that I give to the Census Representatives is kept confidential?" The answer in the booklet stated: "The census is required by law to keep all the information it gathers strictly confidential." This is a government document repeating the same pledge that has been made since 1918 respecting information given through the census. It goes on to state:

Records of the census questionnaire are kept under lock and key by the Dominion Bureau of Statistics. They can only be searched for a person when he submits an application to obtain verification of facts concerning himself alone, such as his age for old age pension benefits.

Therefore, the only person entitled to seek out information on a census form is the person who filled out the form. The same 1971 booklet claims: "Census records are not exchanged with any other government agency." It goes on to state: "Similarly, the Dominion Bureau of Statistics may not divulge any individual census statistics to government departments or agencies at any level, or to any non-government agency, or to any individual or private concern."

On the census form in 1971, over the signature of the Dominion Statistician, is the following paragraph:

The Census of Canada is taken under the authority of the Statistics Act, which requires everyone to provide the

information requested. The same Act guarantees that information you provided about yourself in the census questionnaire will be kept secret and used only to produce statistics. It ensures that no one will know what answers you gave except for DBS employees and they are subject to legal penalties if they disclose personal census information to anyone else. No other individual and no other government department is permitted access to your census questionnaire.

In 1981, the census form had the following on the cover:

The information you have given will be kept confidential and used only for the production of statistics. No one will see the answers you give except for persons sworn to secrecy under the Statistics Act. These persons are subject to prosecution and legal penalties if they disclose personal census information.

In effect, Bill S-18 wants Parliament to cancel and abrogate all those pledges made for over 80 years by Parliament.

Finally, in the last census form in 2001, a heading states, "The Law Protects What You Tell Us" and then we see the following paragraphs:

The confidentiality of your census questionnaire is protected by law. All Statistics Canada employees have taken an oath of secrecy. Your personal census information cannot be given to anyone outside Statistics Canada — not the police, not another government department, not another person. This is your right.

Your census questionnaire will be retained in accordance with legislative requirements and will be stored securely. You can ask to see the information you gave about yourself on your 2001 Census questionnaire after November 2001.

Since 1918 there has been a pattern of confidentiality, privacy, no access to the information except to those allowed under the act and the individual who filled out the form.

From 2006 onward, according to Bill S-18, there will be an opt-in clause. That means that the respondent, to agree that the information may be released after 92 years, will have to so indicate. If there is no indication, then the information would be kept in confidence in perpetuity, so it says right now. Leaving it up to the respondent to decide is the right thing to do, as in the case of being listed on the National Register of Electors. When we receive our income tax form, there is a provision to indicate whether or not we want to have our name added to the National Register of Electors by ticking off a box saying "yes" or a box saying "no." An explanatory note comes with the form and provides information on what it means to say yes, which means that you will be on the list, and what it means if you say no, which means that you will not be on the list. There is no editorial comment or suggestion as to the government's preference. You do not lose your right to vote by ticking no or not ticking at all. It just says that by saying "no" the information regarding your address may not be as up-to-date as it should be, and information on the election may not reach you. The option is left to the individual on his income tax form to say yes to be on the list, and if the answer is no, you are not on the list.

• (1540)

In the case of the next census questionnaires, there will be this opt-in clause, which by itself is an excellent idea. Yesterday, I quoted a press release and Senator Milne feigned ignorance of it, so I have brought a copy of it dated November 2, 2004, entitled "Government of Canada Introduces Legislation to Enable Access to Historical Census Records." At the bottom of the page it reads:

Statistics Canada in conjunction with Library and Archives Canada, will, as part of the 2006 Census public communications campaign, encourage Canadians to allow further access to their census records to preserve Canada's history for future generations.

In other words, the government is ready to embark on a one-sided campaign to promote access without allowing the case for the other side. To me, it is unheard of to allow confidentiality and at the same time to promote its disadvantages. Think of this: The government says to Parliament, "Give the individual the choice, but at the same time we will tell the individual that there is an advantage to going one way. That same individual, however, will not be told what the disadvantages are."

Remember that the long form requires detailed financial information, including some which the respondent submits on his income tax return. Personal tax information is confidential. Its availability is strictly limited by the Income Tax Act. These limitations will, with Bill S-18, become meaningless as the census questionnaire becomes more intrusive in seeking out information of a personal and confidential nature. What is protected in one government department will be made public by another. The income tax return by itself is protected, as far as revealing information, by the Income Tax Act. It is all specified as to whom it may be available. A lot of the information we put in our income tax return is asked for in the long form for the census questionnaire, and that information, which is protected under one act, will be made available under Bill S-18.

I suppose that we cannot decide today how such concerns will turn out, honourable senators, but we must reconfirm what has been repeatedly pledged in the past — the secrecy and confidentiality of the census returns. By supporting Senator Comeau's amendment, we will honour these commitments and not break faith with those to whom they were made.

Hon. Pat Carney: Honourable senators, I would like to ask a question relating to the issue of the confidentiality of the census taker and how it relates to the bill.

About 10 years ago, I filled out the long form of the census. A few days later, I received a call from my neighbour across the street on our island. She said, "I have your long form in front of me, and you never answered one question." I asked, "What is the question?" She said, "You did not answer if you were an Aboriginal." I said, "Karen, you know I am Irish. I am not Aboriginal. Why have you got my form?" That was the long form with all the financial detail. She said, "It was sent to me by the census taker to check for accuracy." She lives across the street. I have no way of knowing who else she told, but it is a matter of fact that her husband was bidding to rebuild my dock. His estimate for the work doubled after that from \$8,000 to \$16,000.

How will that situation be addressed in this new bill? There was a total breach of confidentiality when my form was sent somewhere and then sent to my neighbour, who did correct my omission about my Irish roots. How will this bill address this confidentiality issue?

The Hon. the Speaker: This information came to me late. The 15 minutes allocated to Senator Lynch-Staunton have expired, so perhaps we should deal with that first.

Senator Lynch-Staunton: The bill does not touch on that issue, which is not, unfortunately, peculiar to Senator Carney's situation.

The Hon. the Speaker: Does Senator Lynch-Staunton wish to ask for additional time?

Hon. Bill Rompkey (Deputy Leader of the Government): Senator Stratton is suggesting five minutes and I would concur.

Senator Lynch-Staunton: Senator Carney knows that this is not a situation peculiar to her. It has been an ongoing problem where the long form, particularly in rural areas, is put in the hands of a neighbour to compile and collect. Many a time there has been a peek at it, and it has gone back to the respondent, completely against the law. Neighbours being what they are, unfortunately that cannot be addressed in the law and certainly not in Bill S-18.

Under Bill S-18, not only would your local enumerator have the information, but it would also be made public to the rest of us.

Hon. Gerald J. Comeau: When I was a member of Parliament, I was often asked to help individuals with forms, which I did. I found it quite rewarding because it gave me a chance to meet with constituents. It is the kind of work I have kept up in my role as a senator. I have helped people out when they have received forms, because they have placed a certain amount of trust in me. Over the years, I have helped people with the long form especially. They have said to me, "I am being asked to provide a lot of personal information on this form. Do you think I should respond?" I always replied yes. It says right on the form that this information is confidential. They trusted me to help them with it, but when it reaches government, just like income tax returns, the information cannot be divulged. The information is to be used for statistical purposes to help the government plan and map out strategies and prepare public policy.

Now I will have to face those individuals the next time I am asked to help out with the long form. When I am asked if this information is confidential, I will have to say no, because Parliament has decided in its wisdom that we can break promises. Mr. Fellegi himself has indicated that he will break the promise. We ourselves, as parliamentarians, have decided that our promises are no longer of any value. Am I wrong in assuming that this is what we should be telling Canadians? The promise on this piece of paper is no longer worth the signature that is written on it. That being the case, would this not create the kind of bad information that government does not need? Government needs proper information to create statistics that will be useful for government planners. What is my honourable friend's view in that regard?

[Senator Lynch-Staunton]

• (1550)

Senator Lynch-Staunton: If the authority to divulge the information is worded in such a fashion that the individual understands it clearly and can so indicate, there is no problem. If the government accepts the fact that, if you do not so indicate, the information will not be revealed, then that is fine. I do not think that will cause difficulty.

However, this act will be up for review after two censuses. Perhaps at that time, depending on the responses, the government may be convinced that, if enough people say that the information can be made available, that should apply to everyone. However, that is a matter for those who will be responsible for the census 10 years from now.

If the information consisted only of name, address, age, religion, sex and such, I would have no problem; that information is available in many places. What bothers me is that more and more of the information being requested on the long form is intrusive and personal. People are asked to disclose their sexual orientation, their employment records, their income, and details about their children. It is very personal information. It may be information that you do not want anyone to see now or even 92 years from now, for whatever reason — perhaps shame, I do not know. However, you have the right to decide on how your own personal information should be distributed, whether or not made public.

I have a feeling that, over the years, the long form will get longer and become more intrusive; and nobody is challenging that. Originally, the census was a statistical compilation; now it has become a socioeconomic one. It is endless and it is intrusive. It is wrong.

If nothing else, we should at least insist that it remain confidential. Certainly, those who filled out the forms in the past on the basis that they were guaranteed secrecy and confidentiality should have that pledge honoured. This bill takes that pledge away as it makes meaningless the word of a government whose commitments made in the past in fact last as long as the person who made them. After that, you are on your own.

To answer Senator Comeau's question, if the wording on the form is what you and I and others would like to see, then I do not think there is any problem about that information being divulged in the future. What worries me — and Senator Comeau's amendment will correct that — is whether this chamber will accept that information guaranteed to be kept confidential in the past may now be revealed.

[Translation]

Hon. Madeleine Plamondon: Honourable senators, I ask that the debate be adjourned in my name.

[English]

The Hon. the Speaker: It is not a debatable motion, but did you have a question, Senator Rompkey?

Senator Rompkey: Will Senator Plamondon be able to speak today? This matter has been before the Senate for some time now. I do not want to preclude her from speaking, but I would like to hear from her today.

Senator Lynch-Staunton: On a point of order, I object to that statement. The bill may have been around a long time but third reading only started yesterday.

[Translation]

Senator Plamondon: Honourable senators, there have been new developments since Senator Lynch-Staunton delivered his speech, and I would like to speak to this item tomorrow.

[English]

The Hon. the Speaker: I will put the motion. It is moved by the Honourable Senator Plamondon, seconded by the Honourable Senator Trenholme Counsell, that further debate be adjourned to the next sitting of the Senate. Is it your pleasure, honourable senators, to adopt the motion?

On motion of Senator Plamondon, debate adjourned.

THE SENATE

MOTION TO EXTEND ADJOURNMENT TIME ON MARCH 23, 2005 ADOPTED

Hon. Bill Rompkey (Deputy Leader of the Government), pursuant to notice of March 21, 2005, moved:

That, notwithstanding the Order of the Senate of November 2, 2004, when the Senate sits on Wednesday, March 23, 2005, it continue its proceedings beyond 4 p.m. and follow the normal adjournment procedure according to rule 6(1); and

That committees of the Senate scheduled to meet on Wednesday, March 23, 2005 be authorized to sit even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

Motion agreed to.

COMMITTEES AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Bill Rompkey (Deputy Leader of the Government), pursuant to notice of March 21, 2005, moved:

That, pursuant to rule 95(3), the committees of the Senate scheduled to meet on Thursday, March 24, 2005, be authorized to sit even though the Senate may then be adjourned for a period exceeding a week.

Motion agreed to.

THE ESTIMATES, 2004-05

REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (B) ADOPTED

The Senate proceeded to consideration of the fourth report of the Standing Senate Committee on National Finance (Supplementary Estimates (B)), presented in the Senate earlier this day.

Hon. Donald H. Oliver: Honourable senators, you now have before you the final report of the Standing Senate Committee on National Finance on the 2004-05 estimates. This report sums up the committee's work on these estimates over the 2004-05 fiscal period.

As is customary, the committee held several hearings to examine various aspects of the government's planned expenditures, including numerous meetings on the 2004-05 Main Estimates, two hearings on the Supplementary Estimates (A), 2004-05, and one on the Supplementary Estimates (B), 2004-05.

Three ministers appeared before the committee to explain the government spending plans. The Honourable Reg Alcock, President of the Treasury Board, appeared on three occasions, while the Honourable John McCallum, Minister of National Revenue, and the Honourable Scott Brison, Minister of Public Works and Government Services each appeared once.

Honourable senators, over this past year, the committee also held numerous meetings with senior officials of departments and agencies of Parliament. We had good meetings at which we received full and courteous replies to senators' questions. Where answers were not immediately available, our witnesses agreed to obtain the information and supply it in written form. Indeed, much of this information has already come in and has been distributed to members of the committee.

As a result of these meetings, the committee has already submitted three reports to the Senate this year: a first interim report on the 2004-05 Main Estimates, dated March 2004; a report on the 2004-05 Supplementary Estimates (A), dated December 2004; and a report on the 2004-05 Supplementary Estimates (B), which the committee will submit concurrently with this final report on the 2004-05 Main Estimates.

Allow me, honourable senators, to briefly highlight a few items in the final report of the 2004-05 Estimates. First, I would stress that the members of the committee expressed interest in the government's announcement of the ongoing effort by the Treasury Board Secretariat to provide clearer and more transparent information to parliamentarians. As honourable senators will recall, the Standing Senate Committee on National Finance has been responsible in the past for numerous suggestions to the Treasury Board Secretariat on ways to improve how information is presented to Parliament. This year, we continued to support the government's efforts to provide clearer and more timely information to Parliament.

Second, some senators discussed at length with the Honourable Reg Alcock the changes in the organization of government departments that will have major effects on the governance of the

federal public service. Foremost among these changes is the announced strengthening of the function of the Office of the Comptroller General. In this matter, the committee was fortunate to have Mr. St-Jean, the Comptroller General of Canada, outline his plan to upgrade the function of the Comptroller General in federal departments.

• (1600)

Honourable senators, the committee also explored in some detail the workings of the Expenditure Review Committee of the Treasury Board when it heard on separate occasions from the Honourable John McCallum, Chairman of the Expenditure Review Committee, and the Honourable Scott Brison. As senators are aware, this cabinet-level committee was established by the Prime Minister in December 2003 with the mandate of reviewing all federal spending in order to identify savings that can be redirected from government activities of a low priority to initiatives of higher priority. The Expenditure Review Committee was expected to reallocate some \$11 billion over a period of five years, 2005-06 through 2009-10.

We learned that about half of the targeted allocations of the Expenditure Review Committee could come from departments' identification of their lowest 5 per cent of spending priorities, while the other half would come from cost savings on central government activities through improvements in management efficiency.

Minister Brison explained to the committee how the government expected to realize savings of almost \$6 billion over five years in the purchasing and delivering of services to Canadians. He believed that significant savings could be achieved by centralizing the purchasing functions of government departments and by centralizing the delivery mechanisms for government services. Further savings could be achieved by improving the management of the government's real property portfolio. Finally, additional savings can be achieved through the continuing modernization of the government's information technology systems.

Honourable senators, we have since learned that the February 2005 federal budget provided the details of this expenditure review exercise. The savings anticipated over the next five years will amount to approximately \$0.8 billion in 2005-06, \$1.5 billion in 2006-07, \$2.6 billion in 2007-08, \$2.9 billion in 2008-09 and \$3.1 billion in 2009-10. Honourable senators can read about these matters and other issues in this and other reports submitted by the committee during the current fiscal year.

Honourable senators, please allow me to now turn to a matter that I find of great importance, which is the expenditure plans of the officers of Parliament.

In 2004 the committee began a series of hearings on the financial operations of the officers of Parliament. To date, the committee has heard from the Office of the Auditor General, the Public Service Commission, the Office of the Privacy Commissioner, the Office of the Information Commissioner, the Office of the Commissioner of Official Languages and Elections Canada. The committee's work on this matter is not yet complete, and the committee expects to submit a more complete report on

aspects of its work in 2005-06. However, our discussions with some of the officers of Parliament are highlighted in our report.

A recurring theme among the officers of Parliament who appeared as witnesses before the committee was the difficulty that they are experiencing in attempting to set a budget to carry out the responsibilities assigned to them by Parliament. They shared the view that inadequate levels of funding have resulted in a weakened ability on their part to do the work Parliament asked them to do. However, it is not only that their budgets may be too restrictive that causes them concern, but rather that the process by which their budget is set may no longer be appropriate for the role that they are required to fulfil as officers of Parliament. For example, the Honourable John Reid, the Information Commissioner, stated:

I think there is a real problem in terms of the way in which parliamentary officers are funded. It is a very difficult proposition, I believe, for the government itself to deal with this sort of hybrid organization that is in a sense part of the civil service and yet has no reporting responsibilities to the civil service. There has to be a considerable amount of thinking about how these officers are to be financed in the future.

During our hearings, the committee entertained a number of suggestions on how the budget determination process for officers of Parliament might be reformed. Let me outline two possible approaches.

First, it has been suggested that the officers of Parliament prepare their budget proposals for consideration by the Speakers of the House of Commons and the Senate, and subject to a review by specific committees of Parliament. The proposed budget would then be forwarded to the Treasury Board for inclusion in their estimates. The overarching argument would be that Parliament should be responsible for approving the funding of its officers.

Another proposal discussed involved setting up what some called a "blue ribbon panel", or a panel of experts, to determine the appropriate level of funding for each officer of Parliament. One presumes that these experts would be familiar with the workings and responsibility of the officers of Parliament for which they are required to set a budget. The so-called blue ribbon panel approach had less general support.

The committee hopes to explore this issue of the funding of these officers of Parliament in more detail in the coming weeks and intends to submit its findings at that time.

In conclusion, as there are matters that must be followed up from the committee's work in fiscal year 2004-05, I can assure honourable senators that the Standing Senate Committee on National Finance, which now has before it the Main Estimates of 2005-06, will in fact follow up on them.

Hon. Tommy Banks: Honourable senator, may I ask a question?

Senator Oliver: Certainly.

Senator Banks: It is one of curiosity and not substance at the moment. Do I understand correctly that the Auditor General, among other officers of Parliament, found the process of obtaining budgets too stringent?

Senator Oliver: That is correct.

Senator Banks: That is funny.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I want to ask if Senator Oliver is prepared to move adoption of the report.

Senator Oliver: I should have done that in the beginning, and I apologize to honourable senators. I would like to move the adoption of the report.

The Hon. the Acting Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

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

Motion agreed to and report adopted.

THE ESTIMATES, 2004-05

REPORT OF NATIONAL FINANCE COMMITTEE ON MAIN ESTIMATES ADOPTED

The Senate proceeded to consideration of the fifth report of the Standing Senate Committee on National Finance (Main Estimates, 2004-05), presented in the Senate earlier this day.

Hon. Donald H. Oliver moved the adoption of the report.

Motion agreed to and report adopted.

THE ESTIMATES, 2005-06

FIRST INTERIM REPORT OF NATIONAL FINANCE COMMITTEE ON MAIN ESTIMATES ADOPTED

The Senate proceeded to consideration of the sixth report (first interim) of the Standing Senate Committee on National Finance (Main Estimates, 2005-06), presented in the Senate earlier this day.

Hon. Donald H. Oliver moved the adoption of the report.

Hon. Joseph A. Day: Honourable senators, I will not spend a long time dealing with these various reports, but I did want to make a few remarks that pertain to the three reports.

First, I would like to commend Senator Oliver, who chairs our National Finance Committee, and all the members of that committee on a job well done. It is not easy to handle that extra load when we get the estimates and then the supply bills in such a short period of time.

Honourable senators on the committee ably chaired by Senator Oliver have done a fine job working toward these three reports that I believe give a very good picture of the ongoing work being done by the committee.

I would like to thank two members from the Treasury Board Secretariat, Mr. Mike Joyce, who is Assistant Secretary, Expenditure and Management Strategies, and Ms. Laura Danagher, Executive Director, Expenditure Operations and Estimates Directorate. Both have come to know us well and have done a fine job explaining the documentation and taking back to the Treasury Board Secretariat our frustrations in following the various government documents and the line items between planning and priorities and the budgets and the Main Estimates. We are trying to create a more direct correlation between those various documents so that, as the overseer from the Senate point of view of these Main Estimates, we can do the job that honourable senators expect of us.

• (1610)

I would be remiss if I did not thank two members of the Library of Parliament, Mr. Guy Beaumier and Ms. Odette Madore, both of whom are in the economics division. Mr. Beaumier has been working with our committee for a number of years and he understands our work. Ms. Madore has been working with us for approximately a year now, and is becoming a valuable member of our team.

There are two other people I would like to thank. One is our clerk, Cathy Piccinin, who has to work hard to bring all of this together. We had our final meeting this morning and the reports were before you this afternoon. Mr. Chairman, we would be remiss if we did not thank Mr. Robert Mellon of the Treasury Board Secretariat, who has been working with us behind the scenes for many years and who will be retiring, as a good Treasury Board person should do, at the end of this fiscal year. Mr. Mellon has been with the Treasury Board for a good number of years.

Honourable senators, the point made by Honourable Senator Oliver is that this is an ongoing study and review. We continue to work with the government officials and the Treasury Board. The President of the Treasury Board is very receptive to the effort to make the documentation more readable and understandable. We continue to do that, and we have the undertaking of Treasury Board and the President of the Treasury Board to continue those efforts, and we as the honourable senators' committee will continue with the mandate that they have given us to deal with the Main Estimates for the coming fiscal year, which starts April 1. We will continue that work on behalf of honourable senators.

Thank you, honourable senators. I would urge you to support this motion on the third report.

The Hon. the Acting Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

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

Motion agreed to and report adopted.

HERITAGE LIGHTHOUSE PROTECTION BILL

THIRD READING—DEBATE ADJOURNED

Hon. J. Michael Forrestall moved third reading of Bill S-4, to protect heritage lighthouses.

Hon. Pat Carney: Honourable senators, it is a pleasure to speak today in support of Senator Forrestall's bill, Bill S-14, to protect heritage lighthouses.

The Hon. the Acting Speaker: Do you wish to move third reading?

Senator Forrestall: Honourable senators, I did that yesterday.

The Hon. the Acting Speaker: It was moved by the Honourable Senator Carney, seconded by the Honourable Senator Forrestall, that Bill S-14 be read the third time.

Senator Forrestall: It does not matter to me. I wish everyone would get up and move third reading, but I did it yesterday after I woke up.

The Hon. the Acting Speaker: Maybe we were asleep when you did.

Hon. Sharon Carstairs: Honourable senators, I think that yesterday was not the appropriate time to move third reading. It was actually being reported back. It needs to be moved today.

With the greatest of respect to Senator Carney, it would be much more appropriate if the record showed that Senator Forrestall moved third reading, since it is Senator Forrestall's bill. If Senator Forrestall simply got up and moved third reading now, and then Senator Carney could speak, it would be a simple process.

Senator Forrestall: I would be pleased to move third reading of this bill.

The Hon. the Acting Speaker: I would need the consent of honourable senators because I have already received a motion from Senator Carney, seconded by Senator Forrestall. If there is consent, then I can certainly put the motion.

It was moved by Senator Forrestall, seconded by Senator Carney, that Bill S-14 be read the third time.

Hon. Senators: Agreed.

Senator Carney: Honourable senators, it is a pleasure finally to speak today in support of Senator Forrestall's bill, Bill S-14, to protect heritage lighthouses. This bill promises to create and enforce measures that will help us preserve and protect heritage lighthouses, and it does this in three ways: first, by providing for

the selection and designation of heritage light stations; second, by preventing their unauthorized alteration or disposal through a public consultation process; and third, by requiring that heritage lighthouses be reasonably maintained.

At present, lighthouses, heritage or other, come under the mandate of the Canadian Coast Guard, which, of course, is part of the Department of Fisheries and Oceans.

Honourable senators, as you know, the essence of this bill, preserving and protecting our heritage lighthouses, has been the subject of three previous bills. Senator Forrestall and I, who worked on the western part of this bill, are nothing if not persistent in asking for support from the honourable senators on this issue, which has the support of the government in its present form.

Today, I should like to address the issue of expanding the mandate of the light stations and their keepers to include coastal security duties. This is an issue that is linked to Bill S-14, as the legislation provides that heritage lights be maintained in good condition. This is essential should the government decide that these coastal assets would be useful for security and surveillance. After all, staffed lighthouses tend to be located at the most strategic sites on the coasts of Canada.

I recognize that not all light stations would be suitable for this purpose. Under these circumstances, Bill S-14 provides a process in which light stations can be decommissioned and released for other public uses. As honourable senators are aware, there are no provisions for this decommissioning in present legislation. Our lighthouses have been burned to the ground, as was done off the coast of B.C.; blown up, as happened in Georgian Bay; and jackhammered to rubble, as happened on the southern B.C. coast. Other staffed light stations, such as those on the mid-B.C. coast and isolated sections of Newfoundland and Labrador, must and should be retained to provide weather and navigation services to the maritime and aviation communities.

On the issue of coastal security, I commend the members of the Standing Senate Committee on National Security and Defence on their informative 2003 report. There is no question that the state of Canada's coastal defence is of grave concern. The report states that Canada's coastlines are the longest under-defended borders in the world. Given that the coastlines of the Pacific, Arctic and Atlantic Oceans stretch nearly a quarter of a million kilometres and border more than 10 million square kilometres of ocean territory, the problem of adequately protecting Canadians is immense.

Who is watching our coasts? It appears there is no one at watch, as there is no one agency responsible for Canada's marine and coastal security. We have heard that there is overlap and confusion; there is a denial of responsibilities. Canada's frightening reality is that no agency wants to head the security initiative because there is no funding, coordination or effective direction. This is outlined in a report on the Canadian Coast Guard released in the other place in March 2004.

I note that both the Senate and the House committees agree that Canada's coasts are virtually undefended. The Senate's report tells us that the roles of the navy and the Coast Guard in defending our coasts are supportive, but that the RCMP does not have the resources to provide adequate marine surveillance and

protection. That is certainly true on our coast, on which, at times, marine surveillance is three RCMP officers in a rubber boat.

Our Senate committee tells us that our unprotected coasts are a real threat. Among the many important findings of the Senate committee is one that has been painfully obvious for some time. The Canadian Coast Guard is stretched beyond its limits. The Auditor General informed the committee that the Canadian Coast Guard is trying to perform five different sets of duties, all without adequate funding from the very government departments and agencies that benefit from those duties.

Today's Canadian Coast Guard mandate now encompasses search and rescue, environmental protection and response, icebreaking, aids to navigation, boating safety, marine communication and traffic services. Additional responsibilities include security surveillance upon request from other government agencies, such as the RCMP and the Canadian navy. That is a tall order for an organization that is underfunded, understaffed and under-equipped. I am encouraged that some of these problems have been addressed partially in the recent budget, but very little of it is specifically targeted to coastal security.

• (1620)

The Senate National Security and Defence Committee recommended that the Canadian Coast Guard become a stand-alone constabulary agency responsible for national security, reporting to Parliament.

Honourable senators, light stations and their staff have an important role to play in our coastal security. Presently, lightkeepers supply at least six essential services identified by the Coastal Communities Network, which links the coastal communities, including Aboriginal villages on tidewater from Sooke, British Columbia, to Alaska. These services include aids to navigation, marine weather, assistance to the public, environmental monitoring for oil and air pollution, and maintaining automated systems and services to other government agencies.

To see how these services were delivered, I flew in a Coast Guard Messerschmitt helicopter several months ago to six light stations on the West Coast, accompanied by two Canadian Coast Guard officials, B.C. Superintendent Terry Weber, and his Newfoundland counterpart, Mike Clements. This was a fact-finding trip for a presentation I gave before the House Fisheries Committee during its 2004 study of the Coast Guard. The light stations we visited included Cape Beale, Estevan Point, Nootka, Lennard Island, Pachena and Carmanah.

I was immediately struck during this trip by the many non-traditional duties today's lightkeepers are called on to perform. In addition to their essential marine and aviation weather reporting, fog and sea state conditions and environmental monitoring, today's lightkeepers provide other services, including placing calls for lost souls, supplying first aid and food to injured hikers and boaters on the West Coast Trail, and other services that are essential given B.C.'s focus on ecotourism. There are more recreational boaters and hikers on the coast, and lightkeepers often find themselves in the position of helping people who have set out to sea with little or no knowledge of marine safety.

Non-traditional duties also include supporting and carrying out scientific research such as collecting water samples to determine salmon migration patterns, testing the atmosphere for an Environment Canada greenhouse project and hosting research students studying local plant life.

As most of these stations are on the Pacific flyway, these sites could be used more extensively to track migratory birds. These are the services that the Coast Guard currently provides and is unable to charge for.

Our lightkeepers keep a watch over our coastline. The duties they perform in this regard are beyond their mandates and include reporting possible illegal immigrants and criminal activity under the RCMP Coastal Watch Program — all those little planes circling around dropping packages into little boats.

The relevance and importance of light station sites should not be underestimated. Today, Estevan serves as a major radio relay station for the Coast Guard. The Department of National Defence is considering a radar installation at Estevan to monitor shipping vessels entering Canadian waters. Carmanah became the first traffic control centre and keepers there have reported oil spills and other pollution problems.

The Senate National Security and Defence committee, co-chaired, I understand, by Senator Forrestall, wants the government to use the Canadian Coast Guard in a way that would better secure Canada's coastal waters. The committee contends that other countries are beefing up their coast guards to defend themselves against potential coastal threats. Why should Canada not do that, too?

I first raised the option of changing the duties of light stations in March 1994 when the Senate authorized public hearings on expanding the mandate of the Coast Guard to accommodate the increase in marine traffic, including recreational users. When the hearings were subsequently cancelled, MP John Duncan, some of my colleagues and I held them anyway, forming the ad hoc parliamentary committee on light stations reporting in June 1995. My resolve for an expanded role for light stations and their keepers has only strengthened since then.

The protection ordered under Bill S-14 for light stations is vitally important. Canada's coastal strategy demands preserving these strategic sites and training keepers to operate as peace officers so that Canadians may have peace of mind knowing someone is on watch on our coastlines.

I would like to thank Senator Forrestall for his unwavering commitment to the protection of light stations, and I encourage honourable senators to support this legislation.

Senator Rompkey: I would like to move the adjournment of the debate.

Hon. Senators: Why?

The Hon. the Acting Speaker: I had recognized the Honourable Senator Forrestall, if he wants to speak.

Do you wish to speak, Senator Forrestall?

Senator Forrestall: If I speak, will I close the debate?

The Hon. the Acting Speaker: No, it will not close the debate. You have not spoken yet. You have a right to speak on this bill, and it will not close debate because right of reply does not stand for third reading.

Senator Kinsella: He moved third reading.

Senator Forrestall: In that event, I will await with pleasure the pearls of wisdom from my colleague across the floor.

The Hon. the Acting Speaker: We have before us a motion to adjourn the debate.

Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

On motion of Senator Rompkey, debate adjourned.

ANTI-TERRORISM ACT

BUDGET— REPORT OF SPECIAL COMMITTEE ADOPTED

The Senate proceeded to consideration of the second report of the Special Senate Committee on the Anti-terrorism Act (budget—study on the provisions and operation of the Anti-terrorism Act) presented in the Senate on March 21, 2005.—(*Honourable Senator Fairbairn, P.C.*)

Hon. Joyce Fairbairn moved the adoption of the report.

Motion agreed to and report adopted.

THE SENATE

RULES OF THE SENATE— MOTION TO CHANGE RULE 135— OATH OF ALLEGIANCE—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Lavigne, seconded by the Honourable Senator Robichaud, P.C.:

That the *Rules of the Senate* be amended by adding after rule 135 the following:

135.1 Every Senator shall, after taking his or her Seat, take and subscribe an oath of allegiance to Canada, in the following form, before the Speaker or a person authorized to take the oath:

I, (*full name of the Senator*), do swear (*or solemnly affirm*) that I will be faithful and bear true allegiance to Canada.—(*Honourable Senator Rompkey, P.C.*)

Hon. Vivienne Poy: Honourable senators, I rise today in support of the motion by the Honourable Senator Lavigne to have honourable senators swear an oath of allegiance to our country, Canada, in addition to the oath to the Queen.

When I was sworn in as a senator seven years ago, I was surprised that I only swore an oath of allegiance to the Queen. Since I had no political background, I accepted it as status quo. Canada is our home, and it is this country's values that have shaped our identity as Canadians. I feel a tremendous amount of pride and affection for Canada, and, as a senator, I believe it is my duty to swear allegiance to Canada.

I came to Canada from Hong Kong in 1959. Many honourable senators may not know that ethnic Chinese from Hong Kong had no country until July 1, 1997. When I became a Canadian in 1962, I finally had a country. Canada is not only the only country I have ever had, but it is also the country I love.

• (1630)

Over the past 40 years, my husband and I have had a number of opportunities to move to the United States, but each time I managed to convince him that Canadian values were more important than making more money. Besides, this is where I wanted our children to grow up. Canada is also where our grandchildren now thrive.

Honourable senators, the change Senator Lavigne has proposed takes nothing away from the oath that already exists; it merely adds to it. I believe the time has come to amend the *Rules of the Senate* so that all senators have the opportunity to swear allegiance to the country we serve.

Hon. Jeremiah S. Grafstein: Honourable senators, I have a question for Senator Poy. I have not followed this debate in full, but I am curious about her speech.

I understand the sentiment she has expressed. I do not think anyone can argue with the sentiment of bearing true allegiance to Canada as an entity, but I am not sure, from a grammatical, a legalistic or a constitutional standpoint, how one can swear allegiance to a country as opposed to an institution, laws, a ruler or whatever. I am perplexed.

When I came to the Senate, I swore allegiance to the Queen in Canada. I had no problem with that, because she represented not only the country but all of its institutions and its laws. I am curious about this. Perhaps Senator Poy could explain why she swore the oath if she felt uncomfortable with it.

Senator Poy: Honourable senators, I believe that many Canadians do not understand that we do not swear allegiance to the Queen of Canada. We swear allegiance to Queen Elizabeth. It would be clearer if we swore allegiance to both the Queen and Canada. I see nothing wrong with that.

On motion of Senator Rompkey, debate adjourned.

BUDGET 2005

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Kinsella calling the attention of the Senate to the budget presented by the Minister of Finance in the House of Commons on February 23, 2005.—(*Honourable Senator Stratton*)

Hon. David Tkachuk: Honourable senators, I want to address my remarks today to the federal budget that was tabled on February 23 and, in particular, to the measures taken in that budget with regard to the Air Travellers Security Charge, a charge that is a tax by any other name.

Few things are more harmful to the public good than a government policy that is ill-conceived in the first place and badly implemented in the second, which is how I would describe the Air Travellers Security Charge, or ATSC.

In this budget, the government has decided to again reduce the ATSC. Doing so does not make it any less of a bad idea; it only means that air travellers will be paying less for something they never should have been charged for in the first place.

In April of 2002, the government first slapped the maximum charge of \$24 on top of the price for a round-trip domestic flight. That was the highest security charge anywhere in the world. It was three times that of the charge implemented in the United States at the time, the country where the airport security breaches leading to 9/11 had actually taken place, the country where the terrorists attacked.

The Liberal government knew they had it wrong. If they did not, why in the budget of 2003, one year later, did they reduce the tax to \$14, a price that was apparently wrong again? In the budget of 2004, they reduced the maximum from \$14 to \$12, and in this budget from \$12 to \$10.

The shame of it is that there was no shortage of experts around at the time to tell the government what a badly conceived policy this was, if the government had cared to listen, which it did not.

As the Tourism Industry Association of Canada put it at the time, the tax was introduced hastily with no consultation with the parties that it ended up affecting the most. Those parties had a number of valid criticisms of the proposed ATSC, criticisms the government brushed aside in its haste to implement yet another in a long and tiresome line of tax grabs.

What were some of the criticisms? The Saskatoon Chamber of Commerce had one. It argued that the new Air Travellers Security Charge had many flaws, including its excessive rate, with no clear link between the fee that air passengers were paying and the level of the security service they would receive. Its parent organization, the Canadian Chamber of Commerce, provided specific numbers. They estimated that spending on airport security would be in the range of \$223 million for 2002 and 2003. The tax, on the other hand, would collect, in their estimation, \$430 million during the same period, a remarkably accurate forecast in hindsight, honourable senators, one that the government surely could have made itself had it cared to, but it did not.

Let us look at the actual numbers for 2003, the latest year for which the complete revenues and expenditures are available. The Auditor General determined that the ATSC collected \$443 million that year while expenditures were \$209 million. That is a difference of \$234 million, an overpayment in fact, or what we might call an excessive profit on taxation.

Now the government will say that the overpayment is available to reduce the ATSC. However, they do not factor in that prior to April 2002, when the ATSC was implemented, there was already spending for security at airports that was not funded by an air traveller's user fee. In fact, the government's security tax was to fund the extra security needed in the post-9/11 world. The question is: Does the government factor that earlier spending into what is available to reduce the ATSC? The answer is no. Doing so would have interfered with maximizing what the government could get for the latest variation of their tax grab strategy, a strategy born of the kind of callous opportunism that is the hallmark of this government.

I need only refer you to my speech in the chamber last month on the Canada Pension Plan for another example of this opportunism at work, a plan that preys on the young, most of whom were not even of voting age when the changes to the CPP that affected them were made, changes that force them to pay for the past fiscal misdeeds of their more politically influential elders.

The same callous opportunism, honourable senator, the same strategy, has long been in evidence with regard to the airport security tax. The opportunism arises from using a tragedy that befell the United States on September 11 as an excuse to fill government coffers in Canada. The strategy devised to take advantage of that opportunity was a five-pronged assault on the air industry.

The first prong was to tax air travellers only, a captive market, avoiding the political fallout that might have ensued from a general tax increase. The second prong was to tax them hastily and without consultation, thus cutting off criticisms about both the appropriateness at the time of this tragic event and the level of the tax. The third prong was to tax them excessively, grabbing as much money as possible and as quickly as possible. The fourth prong was to promise to review the tax and to reduce it if too much money was collected. That was a sly, not to say slimy, way of heading off criticism about the obvious excessiveness of the tax at that time. The fifth and final prong of the strategy was to take the money collected from a tax specifically intended to pay only for airport security and put it in the Consolidated Revenue Fund, shielding it from the prying eyes of Canadians who want to know how much of it is spent and what it is spent on.

Lest you think these concerns are a figment of my own partisan imagination, they were also voiced by the Standing Senate Committee on National Security and Defence. In its excellent 2003 report on airport security, the committee noted that questions surround the security tax specifically, what is being done with the money being raised and whether it is being diverted to other areas. The committee also expressed frustration about its attempts to determine how much is being spent on aviation

security, by whom and for what. The Auditor General, who testified before the Standing Senate Committee on National Security and Defence, despaired that no definitive accounting of the security charge would ever be possible.

• (1640)

The committee had no problem concluding, however, that air travellers were getting very little security for their money, and what few security improvements they were getting were superficial and cosmetic. In other words, we were taxed with a user fee that is explicit, i.e., security, but in real terms was a camouflage to raise revenue far in excess of expenditure — a monopolistic excessive profit that in the private world would have made even the banks green with envy.

Honourable senators, it is no wonder that we rank, according to Transparency International, as the twelfth most corrupt country in the world — twelfth most corrupt out of 146 countries ranked. Indeed, in the pages of Transparency International's *Global Corruption Report 2005*, one will find Canada comfortably lodged between those stalwarts of transparency and accountability, Cameroon and China.

When confronted, the government uses the same argument that it used in the sponsorship scandal. To quote their own Prime Minister saving Canada, what is a million in stolen funds; it is the end that counts, not the means.

"Our intentions were good," is what they will say. "We are only trying to help the airlines by improving security and getting Canadians flying again. If a little money was misdirected, that is the price of security and a robust airline industry." The only problem with that argument is that if security has been improved at all, it has been improved only marginally. Moreover, as any airline will tell you, the tax increase inherent in the security charge did not encourage people to fly, but quite the opposite. When they could, many travellers opted for other modes of travel, especially those who were travelling relatively short distances.

Perhaps, then, the thinking was that airport security will be vastly improved if the government discourages people from flying altogether. That way there will be no need for airports, and the problem of airport security will be solved.

I do not know in which direction the government is headed, a government under whose watch nine airlines have gone belly up; a government whose various and crippling airport fees have made Toronto's Pearson International Airport the second-most expensive airport in the world to land a plane; a government to which the airport in Saskatoon pays more in security fees — \$5 million annually — than it does to operate the entire airport; a government that tried to make a virtue out of reducing a security charge that it never should have imposed in the first place and left in place sky-high airport rents that promise to further decimate Canada's air industry, rents that the government promised to reduce in this budget but did not, hooked as they are on taxing anything that moves and many things that soon will not.

On motion of Senator LeBreton, for Senator Di Nino, debate adjourned.

BANKING, TRADE AND COMMERCE**STUDY ON CHARITABLE GIVING—
COMMITTEE AUTHORIZED TO EXTEND DATE OF
FINAL REPORT AND TO RETAIN POWER TO PUBLICIZE
ITS FINDINGS UNTIL JANUARY 31, 2006**

Hon. Jeremiah S. Grafstein, pursuant to notice of March 10, 2005, moved:

That, notwithstanding the Order of the Senate adopted on Thursday, November 18, 2004, the Standing Senate Committee on Banking, Trade and Commerce, which was authorized to examine and report on issues dealing with charitable giving in Canada, be empowered to extend the date of presenting its final report from March 31, 2005 to November 30, 2005; and

That the Committee retain until January 31, 2006 all powers necessary to publicize its findings.

He said: Honourable senators, this motion is self-explanatory. The interim report was completed in time. The final report is not. I sought the consensus of committee members before moving this motion.

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

Motion agreed to.

INTERNATIONAL DEVELOPMENT ASSISTANCE**MOTION URGING GOVERNMENT TO MEET
COMMITMENT—DEBATE ADJOURNED**

Hon. A. Raynell Andreychuk, pursuant to notice of March 21, 2005, moved:

That the Senate of Canada calls upon the Government of Canada to establish a specific timetable that will enable Canada to meet its longstanding commitment to provide 0.7 per cent of its Gross National Income as official international development assistance; and

That the Senate of Canada calls upon the Government of Canada to provide funds, within the budgetary process, to achieve this objective at latest by the year 2015, beginning with an immediate one hundred percent increase in official development assistance in the next fiscal year.

She said: Honourable senators, three months ago on that terrible Boxing Day of 2004, Mother Earth shrugged her shoulders and shed 300,000 of her children. The tsunamis of that day spread shock and grief around the world and produced a tidal wave of generosity. Ordinary people and their governments opened their wallets to help and aid was rushed to stricken populations from Sumatra to Somalia.

In the three months since that day, a greater tsunami has swept across Africa carrying away almost half a million children. That

tidal wave is called malaria. Readily preventable, utterly curable, malaria kills millions.

In the same three months, another tsunami has swept the world, killing another quarter of a million children. It is called measles — yes, measles. For us, it is a minor preventable childhood disease; for people living in poverty, it is a major killer.

Measles, malaria and other diseases from simple diarrhea to HIV/AIDS will bring a tsunami to Africans every month of this year and the next and the next. The world is not rushing to their aid.

Let me put this in another way. In the time that it will take me to speak to you today, 300 children around the world will die from preventable diseases.

Honourable senators, Canadians are a generous people. In response to the Boxing Day tsunamis, ordinary Canadians donated more than \$200 million to help the victims. Two thirds of us, as many as vote, made a contribution. The government, seeing the determination of Canadians to help, produced a general response itself. There is, however, a much larger issue, one to which this government and its predecessors for 35 years have yet to give an adequate response, much less a generous one. That issue is the total amount of assistance that Canada, amongst the world's most privileged nations, should provide to poor nations of the world.

In 1968 Robert McNamara, then President of the World Bank, called on the recently retired Prime Minister of Canada, the Right Honourable Lester B. Pearson, to chair a commission to investigate solutions to world poverty. The next year the World Bank Commission on International Development Assistance — the Pearson commission — issued its report, *Partners in Development*.

• (1650)

A central recommendation of that report was that developed countries should provide 0.7 per cent of their Gross Domestic Product as Official Development Assistance by 1975. In 1970, a resolution of the United Nations General Assembly, supported by Canada, endorsed that goal. Canadian governments ever since have reiterated their support, but failed to meet the goal.

Consider the facts. In 2002, the last year for which complete figures are available, Canadian Official Development Assistance stood at 0.23 per cent of our Gross National Income. Economists, not being the most consistent of people, have now changed the indicators, but the meaning is still the same. The recent increases announced in the budget will bring our aid to approximately 0.35 per cent, halfway to the target, by 2010. I am not an economist, but I am told by numerate people and friends that, if we are able to maintain that rate of growth, we might be able to make 0.7 per cent by 2027 — in another 22 years, maybe. That will be only 52 years after our original target date. How many people will have died because we failed to keep our word?

We are not doing very well at keeping our promises, nor does our performance compare well with others. Ten years ago, Canada was ranked sixth among members of the OECD in the percentage of GNI devoted to development assistance. By 2002, we had dropped to a shameful eighteenth amongst those 22 countries. The 0.25 per cent of GNI we provided that year was slightly more than half of the OECD average of 0.41 per cent. The increases of the past two years have probably brought us to level 13, still not even at the middle of the pack, or close to where we placed 10 years ago.

Honourable senators, Norway, Denmark, Sweden, Luxemburg and the Netherlands have exceeded the 0.7 per cent goal. Six other countries — Belgium, Finland, France, Ireland, Spain and the United Kingdom — have established specific timetables to meet the target by 2015. Canada has done neither. Perhaps that would not matter if international development assistance did not work, if it was not successful in reducing poverty, increasing education, and improving the health governance of nations. The truth, however, is that it does work. We must give clear, significant signals with consistent aid and receiving countries must join with real commitments and accountability if poverty is to be tackled.

The simple fact is that millions of people have been assisted. Consider some examples. In 1960, 73 per cent of the world's population was ranked low in human development; by 1990, that figure was 35 per cent. That is a huge achievement. Remember as well that 1.2 billion people, largely women and children, still live in absolute poverty on incomes of less than a dollar a day. In Ghana, life expectancy has increased from 45 years in 1960 to 57.7 years today. That is wonderful but, at the same time, across the continent in Zambia, a country devastated by HIV/AIDS, the trend has been in the opposite direction. Life expectancy is now less than 36 years.

Across the developed world, infant mortality declined from 110 to 58 for every thousand live births between 1970 and 2000. Again, that is perhaps a great achievement, but millions of infants still die needlessly every year. Smallpox, once a scourge across the earth, was eradicated in 1977. Polio has been eradicated in 175 countries. Malaria has been largely wiped out in Latin America. These are historic achievements, but tuberculosis, a disease that we thought we would soon defeat, is increasing. As we all know, the HIV/AIDS pandemic continues to spread, particularly in Asia and in the poorer regions of Eastern Europe. New strains of malaria continue to debilitate and kill millions of Africans. Literacy in the developing world has grown from 43 per cent to 73 per cent in the past 35 years, but hundreds of millions throughout the world, mostly women, still cannot read.

At the national level, countries like Malaysia and Singapore have graduated from the group of recipient countries. Others like India and Indonesia can be expected to graduate over the next 10 years. At the other end of the scale, countries like Sierra Leone, Rwanda and Haiti cannot meet the simplest needs of their people.

Honourable senators, we have come a long way indeed, but not far enough or in a sufficiently consistent manner to allow us to measure change and hold states accountable. We can rightly say

that Canada and Canadians have done much, but we have not done enough. We have not done our share. We have not kept our word.

The resolutions that I place before you are simple. They call on the government to establish a formal timetable to meet the 0.7 per cent goal at the latest by 2015, 10 years hence. They further call on the government to provide funds to meet that objective, beginning in these days of recurring surplus, with an immediate doubling of the Official Development Assistance budget. In short, they call on our government to keep our word to "put our money where our mouth is."

Let us consider the words of Prime Minister Paul Martin. He said:

The number of humans who subsist on a dollar a day in this world is unacceptable and...I'm going to tell you I am not going to leave that to my children and grandchildren, nor to yours.

I agree, 1.2 billion people living on a dollar a day is unacceptable. So, too, is taking 22 more years to keep a promise we made 35 years ago. By then, the Right Honourable Prime Minister's grandchildren will be the taxpayers. Despite his words, the Prime Minister's budget leaves world poverty to them.

Let us look as well at the words of the report of the Commission for Africa released this month by the Prime Minister of the United Kingdom, the Right Honourable Tony Blair, which was signed by the Honourable Minister of Finance of Canada. The report states:

Rich nations should commit to a timetable for giving 0.7 per cent of the annual income in aid. To provide the critical mass of aid which is needed now, the aid should be front loaded.

Now look at the federal government's budget. It has no timetable, no front-loading. If we are to take the signing of that report seriously, we must follow through with action. Let us in this chamber ask the Government of Canada to do so.

Honourable senators, in the year 2000 the members of the United Nations adopted the Millennium Declaration, which included the Millennium Development Goals, a list of concrete objectives to be achieved by 2015. Foremost amongst those goals was the stated determination to reduce by half the number of people living in absolute poverty, that is, to cut the number from 1.2 billion to 600 million, almost 20 times the population of Canada.

It can be done. Last month, the United Nations released a report authored by the distinguished Harvard economist Dr. Jeffrey Sachs that demonstrates that that objective would be attained if the developed world as a whole were to raise its official development assistance from the current level of 0.23 per cent of Gross National Income to 0.54 per cent by 2015.

The world economy has reached a point at which the halving of absolute poverty is, in Dr. Sachs' words, "utterly affordable."

• (1700)

Let me put that in context. To reduce absolute poverty by half, to cut child mortality in half, to reduce undernourishment by 40 per cent, to reduce HIV/AIDS infections by two thirds, to provide safe water to almost half a billion people — to do all this and more requires only that the developed world increase its aid by 50 cents for every \$100 it earns.

Canada cannot do this alone, but it must do its part. It is time for Canada to reassert the leadership that was shown by Mr. Lester Pearson 35 years ago.

At the time he released his report, Dr. Sachs also reminded Canadians of something that government after government has chosen to forget, and I quote, “Canada is the home of 0.7 per cent.” Not only is Canada the home of 0.7 per cent, Canadians want to do more. They want to play their part. The tsunami has taught us that. Canadians want their country to be responsible. They want their country to care; they want their country to lead.

As you consider this resolution, honourable senators, bear in mind that Canadians want their country to lead and not to be in the “also ran” category. Bear in mind as well that, since I rose to speak, 300 children have died needlessly.

We must press the government to give effect to our obligations if the government is to be taken seriously in world affairs. If we wish to lead, we must do so by example. Canada’s good intentions must be turned into positive action, with a clear and specific timetable and front-loaded to create that critical mass of aid that is needed so much now.

UN Secretary-General Kofi Annan has issued a statement that words are meaningless, actions are needed. I hope this resolution will be supported by this chamber so that we, as senators, will spur our government to act and we can be assured they will follow through on the words they have uttered recently in the Blair commission.

On motion of Senator Pearson, debate adjourned.

BUSINESS OF THE SENATE

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, with leave of the Senate, I move:

That the Senate do now adjourn at pleasure to reassemble at the call of the chair at approximately 7 p.m., and

That those committees scheduled to meet this afternoon be authorized to sit while the Senate is adjourned at pleasure.

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

Motion agreed to.

The Hon. the Speaker: Honourable senators, could I have your attention to indicate that I have made a commitment that will make it impossible for me to be here at 7 p.m. Senator Robichaud has agreed to take the chair when we resume sitting later this day.

I will now leave the chair.

The Senate adjourned during pleasure.

• (1900)

[Translation]

The sitting was resumed.

APPROPRIATION BILL NO. 4, 2004-05

FIRST READING

The Hon. the Acting Speaker informed the Senate that a message had been received from the House of Commons with Bill C-41, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005.

Bill read first time.

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

On motion of Senator Day, notwithstanding rule 57(1)(f), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

[English]

APPROPRIATION BILL NO. 1, 2005-06

FIRST READING

The Hon. the Acting Speaker informed the Senate that a message had been received from the House of Commons with Bill C-42, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006.

Bill read first time.

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

On motion of Senator Day, with leave of the Senate and notwithstanding rule 57(1)(f), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

The Senate adjourned until Wednesday, March 23, 2005, at 1:30 p.m.

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