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Wednesday, June 7, 2006



THE HONOURABLE NOËL A. KINSELLA
SPEAKER

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THE SENATE

Wednesday, June 7, 2006

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

SENATORS' STATEMENTS

NATIONAL SECURITY

Hon. David Tkachuk: Honourable senators, this week, 17 people, five under the age of 18, were arrested for terrorism-related offences. For reasons difficult to understand, they were intent on committing acts of terror upon their own country of Canada and upon their fellow Canadians. Fortunately, these misguided intentions came to nothing.

To the men and women of the participating organizations — RCMP, CSIS, local law enforcement and Toronto's Integrated National Security Enforcement Team — our heartfelt gratitude and thanks. You did your job and you did it well.

We have known for a long time that we are no more immune to threats of the sort that we came up against this past weekend than the U.S., the U.K. or any other nation that has taken up the battle against terrorism.

Just last week, Jack Hooper, the Deputy Director of Operations at CSIS warned the Standing Senate Committee on National Security and Defence of the threat from homegrown terrorists saying:

We have a bifurcated threat at this point — the threat that comes to Canada from the outside as well as a homegrown threat, and the homegrown variants look to Canada to execute their targeting. They are not looking to Afghanistan, the U.K. or anywhere else.

We are well aware that we have been singled out because of our efforts in Afghanistan. In response, I say that we are in that country because we have a job to do: rebuild a nation steeped in despair and fear and prevent Afghanistan from once again becoming a safe haven for terrorists.

As the Prime Minister has said:

We just cannot let the Taliban, backed by al Qaeda, or similar extremist elements return to power in Afghanistan.

We cannot let extremist elements undermine our security at home.

• (1340)

Frankly, trying to deter our efforts against terrorism with a terrorist attack or the threat of a terrorist attack will not work. Rather, it serves to increase our resolve. After all, we are Canadians, and we will not back down when we know what we are doing is right; and, honourable senators, what we are doing is right.

This weekend, our security and intelligence efforts worked. We need to make sure they continue to do so.

I am pleased to say that this government is doing all that it can to ensure the national security of all Canadians here at home. We are strengthening our laws. In the budget, which will appear before us this afternoon, we are putting more resources toward police and security. We are doing this because we need to.

THE LATE CAPTAIN NICHOLA GODDARD

Hon. Roméo Antonius Dallaire: Honourable senators, 62 years ago, a young artillery captain called John Matheson was adjusting artillery fire in southern Italy in support of an infantry attack on an enemy position. Exposed while performing that duty, he received shrapnel from enemy artillery fire. He was rendered an invalid and, in fact, was evacuated as an "hors de combat."

Over the years, he continued, through the Veterans Charter, to study. He became a lawyer, then a judge and, ultimately, in 1964 was appointed by Prime Minister Lester Pearson to head the peacetime campaign to choose the national flag. Mr. Matheson once again led with diligence, determination and courage in the final selection of the Canadian flag, which was inspired by the flag of the Royal Military College of Canada, which flew over the Mackenzie Building when he went off to war 25 years earlier. The success of that campaign is obvious to us all today.

After graduating from the Royal Military College of Canada, I was also appointed as a forward observation officer in the Cold War campaign, where East and West were facing each other across the German borders. In that war, no big guns were fired in anger.

Today, at this moment, as I stand here in this chamber, in Canada's National Military Cemetery in Beechwood Cemetery here in our nation's capital, a large gathering of generals and admirals, colonels and captains, warrant officers and sergeants, corporals and privates and bombardiers and gunners, as they are called in the artillery, are laying to rest Captain Nichola Goddard, killed in action as an artillery forward observation officer on May 17, 2006.

While exposed in order to call down fire of the big guns to protect the infantry around her and neutralize the enemy target, her armoured vehicle was fired upon by three anti-armour rockets. Exposed as she was in doing her duty, her body was shattered by shrapnel in the blast and she died at her post.

This young woman was also a graduate of the Royal Military College of Canada with an honours degree in English, which she completed with first-class honours four years to the day before her death. She gave her life for both the protection of her comrades and the successful accomplishment of the perilous mission.

Most worthy of recognition, her ultimate sacrifice is emblematic of the equal sacrifices that women of our great nation are making for the advancement of democracy, human rights, rule of law, empowerment of women in male-dominated societies and equal education for girls and boys. Her role, and the terrible price she has paid, as well as the lasting suffering of her comrades in arms and her family, are not in vain.

It was not for myopic, near-term, tactical politics that she served overseas. She served in the firm belief that her mission was just, and essential to the innocent women and men of Afghanistan and to the advancement of freedom from all forms of oppression by extremists in the world.

Captain Goddard died at her post, a woman of this nation serving under the flag of this nation in a far-off land. As those before her did and others who follow will do, she died for the greatest cause on earth, the protection and advancement of human rights for all humans. All humans are human; not one of us is more human than the other and not one of us counts more than the other.

May she rest in peace.

DONATING BLOOD

Hon. Ethel Cochrane: Honourable senators, I rise to underscore the importance of donating blood, and to encourage all senators and staff who can to make a donation tomorrow when the Canadian Blood Services brings their blood donor clinic to Parliament Hill.

Some of you may be asking yourselves, what difference will it make if I visit tomorrow's clinic? By simply making one blood donation, you can help to save up to three lives. Your donation can make a very big difference indeed. Blood and blood products are needed for recipients of heart bypass surgery, cancer treatment, transplants, car accidents and a range of other procedures. The need for blood in this country is great and is rising significantly.

• (1345)

Consider for a moment that the number of transplants in Canada has increased from 16 per 1 million Canadians in 1981 to 59 per 1 million at the start of the new millennium. This figure includes kidney, liver, pancreas, heart, lung, and bowel transplants. Each of these procedures is lengthy and large amounts of blood are needed to ensure their success.

However, the fact is that less than 4 per cent of the eligible population in Canada actually donate blood. To be eligible to donate you must bring along identification and be at least 17 years of age, and we senators have no problem there. You must weigh a minimum of 110 pounds, be in general good health, and be feeling well on donation day. At the clinic, Canadian Blood Services staff will further screen you to determine your eligibility to safely donate to the national blood supply. If concern about your iron levels is holding you back from donating, you should know that they will test your hemoglobin at the clinic and will not accept a donation if your iron level is low. You will also

answer a series of questions about any medication you might be taking, about dental treatment in the last 24 to 72 hours and so forth. I encourage all honourable senators and staff to call 1-888-2-DONATE to make an appointment for tomorrow's clinic or to find out more about donating at future clinics.

Honourable senators, it takes less than one hour to donate blood. The gift of a blood donation directly helps to save the lives of others. I hope to see you there, in room 200 West Block, tomorrow beginning at 8:30 a.m.

AMERICAN STUDENT INTERNS

Hon. Joseph A. Day: Honourable senators, for the past several weeks Canadian parliamentarians have had the opportunity to introduce American student interns to our form of democratic government.

This year, students from nine American universities from five different States have chosen to broaden their knowledge of international policy development through a six-week program here in Ottawa.

The students were given the option to work for a specific political party in the offices of Members of the House of Commons and the Senate. A few students interested in the role of democracy and the media have been working with the Canadian Parliamentary Affairs Channel. Students are given the opportunity to gain hands-on experience doing research, answering constituency letters, preparing materials to be sent to members' ridings, attending committee meetings, writing speeches and attending receptions.

Each year, approximately 30 students are chosen to participate in the program to familiarize themselves with Canadian policy and history. The program was established in 1983 by Professor Helen Graves from the University of Michigan, and was later adopted and continued by Dr. James Baker. Dr. Baker continues to encourage students to take advantage of the vast cultural and historic activities that Ottawa and Canada have to offer.

The students are housed at the University of Ottawa, which allows them to be close to Parliament Hill and within reach of all the activities that Ottawa provides to its visitors.

As part of the program activities this year, students visited the Quebec National Assembly and spoke to the Speaker of the House of Commons, the Honourable Peter Milliken. They visited the U.S. Embassy to speak to career diplomats and met with the Usher of the Black Rod. They met with the Speaker of the Senate, the Honourable Noël A. Kinsella and with the U.S. Ambassador to Canada, David Wilkins. As honourable senators have probably gathered, these interns have been very busy over the past several weeks.

The experiences that these students have shared together with new friends in and out of the office will be lifelong memories. Although six weeks goes by all too fast, and soon they will be returning to their homes and universities in the United States, they will return as new ambassadors for Canada and this wonderful institution.

• (1350)

Honourable senators, my office has had the privilege of hosting Sarah Robb, a student at the University of Indiana, specializing in international studies. She has contributed greatly to my office over the past several weeks, and we will be sad to see her leave. Indeed, she has helped to prepare this statement that I am giving today. We thank the students for their interest in Canada, and we wish them well in their future studies.

[Translation]

WOMEN'S INSTITUTES OF NOVA SCOTIA

Hon. Madeleine Plamondon: Honourable senators, I would like to draw to your attention the Women's Institutes of Nova Scotia, a group that is doing excellent work on water quality. Recently, I met with two of the group's representatives, Ruth Blenkhorn and Ellen Simpson, to discuss the results of a very important project, Rural Water Quality.

[English]

We know that most Canadians do not associate our country with water scarcity problems, but our resources are becoming polluted. When the water is contaminated, it is unavailable for human consumption.

In the cities, we rely on municipal water treatment systems and qualified operators to provide us with drinkable water, but in rural areas, the owner of the well has the responsibility to have the water tested.

In Nova Scotia, 46 per cent of the 940,000 people depend on groundwater from wells for their drinking water. The Women's Institutes of Nova Scotia has organized workshops, visited 75 homes in three counties and had their water tested free of charge. They also conducted public information sessions.

Thirty-three per cent of wells tested positive for coliforms, 4 per cent nitrates and 3 per cent for E.coli. Forty-nine per cent had their water retested but similar problems of high levels of iron, nitrates, coliforms and E.coli were found.

We have to remember that even if 20 per cent of the world's fresh water is in Canada, only 9 per cent is usable. This group's relevant recommendations include ongoing public education programs and water quality projects for students at all levels of education. WINS recommends the reduction of water quality testing fees for low-income families and encourages governments to assist and encourages homeowners to update old septic systems.

[Translation]

As this is Environment Week, I am very pleased to congratulate the Women's Institutes of Nova Scotia for their excellent work. Without access to good-quality water, we cannot have a healthy environment.

[Senator Day]

[English]

THE HONOURABLE CLAUDETTE TARDIF

CONGRATULATIONS ON RECEIVING HONORARY DOCTORAL DEGREE

Hon. Yoine Goldstein: Honourable senators, last week, I had occasion to indicate that when one of our members is honoured, it does honour to each of us and to this institution. Today, I have the pleasure of indicating to you that Senator Tardif is not here this afternoon because she is being awarded an honorary doctorate at the University of Ottawa.

Hon. Senators: Hear, hear!

Senator Goldstein: Senator Tardif has long been recognized as one of Canada's foremost advocates and defenders of minority linguistic and cultural rights and for her very considerable contribution to secondary and post-secondary education.

Before entering public life, she attained her own PhD and then worked in higher education, first as a professor, and then as Dean of the Faculté Saint-Jean, as well as a number of other positions within the University of Alberta. Dr. Tardif is a tireless advocate for the francophone community in Alberta and elsewhere. She has published in numerous publications. She focuses on immersion education and the role of francophone schooling in the development of a cultural identity in a minority environment.

Honourable senators, please join me in congratulating Senator Tardif.

Hon. Senators: Hear, hear!

• (1355)

VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Congresswoman Louise M. Slaughter, member of the United States House of Representatives for the 28th District of New York.

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

Hon. Senators: Hear, hear!

ROUTINE PROCEEDINGS

COMMITTEE OF SELECTION

THIRD REPORT OF COMMITTEE PRESENTED

Hon. Terry Stratton, Chair of the Committee of Selection, presented the following report:

Wednesday, June 7, 2006

The Committee of Selection has the honour to present its

THIRD REPORT

Pursuant to Rule 85(1)(b) of the Rules of the Senate, your Committee submits herewith the list of Senators nominated by it to serve on the following committee:

STANDING COMMITTEE ON INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

The Honourable Senators Comeau, Cook, Downe, Furey, Jaffer, Kenny, Kinsella, Massicotte, Nolin, Phalen, Poulin, Prud'homme, P.C., Robichaud, P.C., Stollery and Stratton.

Pursuant to Rule 87, the Honourable Senator Hays (or Fraser) and the Honourable Senator LeBreton, P.C. (or Comeau) are members ex officio of each select committee.

Respectfully submitted,

TERRY STRATTON
Chair

The Hon. the Speaker: When shall this report be taken into consideration?

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

THE SENATE

MEMBERSHIP OF STANDING SENATE COMMITTEE ON CONFLICT OF INTEREST FOR SENATORS

Hon. Marjory LeBreton (Leader of the Government): Honourable senators, I move, seconded by the Honourable Senator Hays:

That pursuant to Rule 85(2.1) of the *Rules of the Senate* the membership of the Standing Senate Committee on Conflict of Interest for Senators is follows:

The Honourable Senators: Andreychuk, Angus, Carstairs, P.C., Joyal, P.C., and Robichaud, P.C.

Pursuant to Rule 85(2.1) the motion was deemed adopted.

• (1400)

AGREEMENTS BETWEEN FEDERAL GOVERNMENT AND PROVINCES AND TERRITORIES ON CHILD CARE

NOTICE OF INQUIRY

Hon. Marilyn Trenholme Counsell: Honourable senators, I give notice that in two days hence:

I shall call the attention of the Senate to concerns regarding the agreements in principle signed by the Government of Canada and the provincial governments

between April 29, 2005, and November 25, 2005, entitled, "Moving Forward on Early Learning and Child Care," as well as the funding agreements with Ontario, Manitoba and Quebec, and the agreements in principle prepared for Yukon, Northwest Territories and Nunavut.

[*Translation*]

ACCESS TO DRINKABLE WATER

NOTICE OF INQUIRY

Hon. Madeleine Plamondon: Honourable senators, I give notice that two days hence:

I shall call the attention of the Senate to the importance of recognizing access to drinking water as a fundamental human right.

QUESTION PERIOD

THE ENVIRONMENT

KYOTO PROTOCOL—GOVERNMENT POLICY

Hon. Francis Fox: Honourable senators, my question is for the Leader of the Government in the Senate. Millions of Canadians consider this issue to be of vital importance. I would like to know the government's position on the ratification of the Kyoto Protocol.

At its annual conference held in Montreal last Saturday, the Federation of Canadian Municipalities, which represents 1,400 municipal leaders from across Canada, adopted a policy statement supporting ratification of the Kyoto Protocol.

I will quote a passage:

[*English*]

"Municipal governments commit themselves ... to implementing policies and operational changes that will achieve a global reduction in greenhouse gas emissions of 30 per cent by 2020 and 80 per cent by 2050, based on 1990 levels," the statement says.

[*Translation*]

These targets significantly exceed the targets set and accepted by Canada as a signatory to the Kyoto Protocol. The current government considers these targets unattainable.

Furthermore, last Monday, Premier Charest indicated that Kyoto is our best option and that it is extremely important that Canada set an example on the international stage if it hopes to influence its southern neighbours and emerging major powers like China and Brazil.

I would add that the United Kingdom, a major advocate of Kyoto, is setting targets that go well beyond those proposed by Kyoto. Last weekend, 238 municipal mayors from around the United States, representing some 44.5 million people, expressed their support for Kyoto's main principles and targets.

Today, we read in Canada's French-language press that some 30 reputable economists from Canada's top universities are saying that Mr. Harper's plan, the plan endorsed by the minister's party, is a mistake both environmentally and economically. They say that Canada is on the wrong track and that it will damage its economy considerably by considering the idea of a made-in-Canada plan that falls short of the legal requirements of the Kyoto Protocol.

In light of the consensus in Canada of an informed public and professional opinion, is the minister willing to urge her cabinet colleagues to reconsider their position on Kyoto and to take a leadership role within the UN Council on the environment?

[English]

Hon. Marjory LeBreton (Leader of the Government): Honourable senators, I thank Senator Fox for his question.

The federal government joins with the Canadian municipalities, the provinces and territories in wanting to see a reduction in greenhouse gases, instead of continuing the previous government's pattern of inaction, as I mentioned yesterday.

• (1405)

We will continue to work with them, along with industry and environmental groups, to create a comprehensive made-in-Canada plan that we will bring forward in the fall. When that plan comes forward, most environmentalists and people who are watching this bill will be pleased.

As I have said before, we have worked constructively with the global community on this issue, especially in recent weeks. Minister Rona Ambrose and her officials are to be commended for gaining international support as we look towards the post-2012 period.

Yesterday, honourable senators, witnesses appeared before the Standing Committee on Natural Resources in the other place. They expressed support for a climate change program containing realistic targets and support for new technologies. That is just what our new government has stated is needed. The Energy Dialogue Group, an alliance of 19 energy associations, said that the previous government's climate change plans must be reworked to meet the Kyoto targets. They said the only way of reaching the targets would be through spending billions of taxpayers' dollars on foreign emission credits. The chair of the group, Hans Konow, said, "We would prefer to invest in technology development that we could then deploy as a means of complying with some climate change regime." It is clear from these comments, honourable senators, that there are groups within Canada that want to work with the new government to ensure our country has an effective and realistic approach to reducing greenhouse gas emissions.

[Senator Fox]

[Translation]

Senator Fox: Honourable senators, if the government continues to reduce credits to provinces for their efforts to reduce greenhouse gas emissions — I am thinking of the \$382 million intended for the Government of Quebec — obviously we will not reach the objectives in question. Of course, we could quote a litany of individuals who support the government's position, as the minister just did.

Nevertheless, I am asking the minister if her government is prepared to sit down with the 30 economists, none of whom could be described as a nobody, like the nameless individual in *Cirque du Soleil Quidam*. All are leading economists at Canadian universities. We cannot just casually set aside their views. In addition, the mayors of Canada's municipalities have something to say about this matter.

Is the government willing to consult these 30 economists and the Federation of Canadian Municipalities to come to a better understanding of their position? Will the government exercise international leadership as proposed by Premier Charest and the Deputy Prime Minister of the United Kingdom?

[English]

Senator LeBreton: Honourable senators, I do not think anyone could possibly say that we are in any way diminishing or wishing to swipe aside any plan going forward. I am confident that Minister Ambrose will meet with any group that wants to advance proposals toward a reasonable goal of made-in-Canada solutions. As I mentioned earlier, in Bonn, all developing nations have acknowledged Canada's honesty in saying that it was impossible to reach the targets of Kyoto. The previous government proved that.

I can say with great certainty that Minister Ambrose is not ruling out meeting and speaking with anyone as she works towards presenting Canadians with the new government's plans for this important file.

KYOTO PROTOCOL—GOVERNMENT POLICY— NOMENCLATURE

Hon. Tommy Banks: Honourable senators, my question is also to the Leader of the Government in the Senate and is also about the environment.

The leader has done it again. I am going to ask the leader to consider, and to take to the government a request to straighten out, a syntactical inexactitude to which the government always seems to revert when questions of climate change and emissions arise, the one she used just a moment ago, "made-in-Canada." Will the leader observe the nicety and ask her colleagues in government to observe the nicety of not referring to the solution as "made-in-Canada"?

• (1410)

Is there any commitment that Canada made under Kyoto that was not designed, set out and agreed to in Canada by Canadians?

Hon. Marjory LeBreton (Leader of the Government): I thank the honourable senator for the question.

As I have said on many occasions, the desires and the targets set by the Kyoto agreement, while admirable, and while no one would question the good intentions of the signatories, are simply not reachable. The previous government proved how unreachable those targets were. Ordinary Canadians may not realize that in order to meet the targets set out in Kyoto right now we would have to shut down every car, truck, train, lawn mower — every moving vehicle in this country.

Minister Ambrose and the government will work at this serious issue. The proposals they put forward to deal with this worldwide problem will be made in Canada and the solutions will be made in Canada.

Senator Banks: I thank the leader for her response but, with respect, she did not answer my question specifically about using the language “made-in-Canada,” which infers that something else was not.

Another rock behind which the government seems to hide when this question comes up is the subject of clean air. Kyoto does not have anything to do with clean air in the normal sense in which those words are understood. Kyoto has to do with one thing: the reduction of greenhouse gases, the most prevalent of which is CO₂. CO₂ is not dirty. CO₂ is not susceptible of being cleaned. Clean air does not have anything to do with CO₂. Clean air, as it is understood by anyone who has even a grazing understanding of the subject, has to do with removal from the air of things like volatile, organic compounds and particulates of various kinds; sulphur that has been successfully removed from the air so that we do not have sulphuric acid running down into our lakes any more; and mercury and other elements that need to be cleaned from the air. The connection between clean air, on one hand, and Kyoto climate change and greenhouse gas emissions, on the other, is a long-stick and tenuous connection.

In the same sense that I ask the Leader of the Government in the Senate to consider not using the term “made-in-Canada,” I ask that she stop using the term “clean air” when referring to removal of greenhouse gas emissions, because it is not correct. The term is misleading. I do not know whether it derives from confusion, but in any case it is leading to confusion. Would she undertake not to use those phrases?

Senator LeBreton: I cannot undertake not to use such terms because I answer questions as they are put to me. I will try my best not to confuse the issue.

It is clear to everyone, including the witnesses who appeared before the committee of the other place yesterday, that we do need a new approach to climate change, one that is effective and realistic and, as I have said, made in Canada and made for Canadians.

The government is very much seized of this issue. Minister Rona Ambrose is meeting with various stakeholders, not only in Canada, but also internationally. In the fall we will be presenting to Parliament and to the Canadian public our own plans in regard to the issue of climate change.

• (1415)

AGRICULTURE AND AGRI-FOOD

FARM INCOME—SUPPORT PROGRAMS

Hon. Daniel Hays (Leader of the Opposition): Honourable senators, I would like to return to a question on agriculture.

I thank the Leader of the Government for the delayed answer I received last week on programs designed to assist the Canadian farm sector, namely the enhanced Spring Credit Advance Program. That is now Bill C-15, to which I believe we will give expeditious legislative treatment. There is also the Grain and Oilseed Payments Program, the CAIS Inventory Transition Initiative and the Cover Crop Protection Program.

In summary, the response indicates that virtually all of the new money in the budget is or will be disbursed under these programs, to quote from the delayed answer, “as quickly as possible.”

I return to the subject because last week we received additional information on farm income and I feel it is important to have this alarming information on the record.

The numbers in the Statistics Canada reports demonstrate the critical problems our farmers face and indicate that farmers have extremely low levels of farm income. The report indicates that realized net income declined by 7.7 per cent in 2005, on top of a decline of 8 per cent in 2004.

In Alberta alone, realized net income dropped by one half of its previous year’s level, some of which is explained by increasing inventories but most of which is explained by increased costs. In Manitoba, realized net income declined by 40 per cent.

We have a situation of increasing costs in inputs for farmers and declining income. To put it in a dramatic way, net farm income in 2004 was \$4.06 billion and in 2005 it was \$2.61 billion. The Canadian Federation of Agriculture, you will know from preambles to previous question, was looking for \$2 billion. The government did find \$1 billion. It is not clear how much is needed in particular, as the situation continues to deteriorate.

My first question is along the lines of the delayed answer, which indicates programs will be developed as quickly as possible. Could the Leader of the Government update us on what that means in terms of when these programs will actually be developed?

Hon. Marjory LeBreton (Leader of the Government): I thank the honourable senator for that long question.

I was pleased by the quick response from Agriculture and Agri-Food Canada and Minister Strahl to the honourable senator’s original question.

I do not have a timetable. I would be happy to submit this question as I did the others, and ask the minister and the department if they could specifically outline a timetable for these payments.

Senator Hays: It is a long question, but it is a very serious problem. I notice that some of my rural friends have left the room. Perhaps I have not been dramatic enough in highlighting the seriousness of this problem.

The second question I would like to put is as follows: In the 1980s, when we had a similar disaster — and I notice Senator Gustafson has not left — the then government of Brian Mulroney developed programs which were based on gross income. The programs that are in place now, one of which the government has shown a preference to do away with, namely CAIS, are based on net farm income.

Could the minister advise us if the government recognizes that addressing only net farm income will not help the people who are in such serious problems and that something needs to be done based on gross farm income?

• (1420)

Senator LeBreton: I well remember because Senator Gustafson was one of the people on behalf of agriculture who was putting a significant amount of pressure on then Prime Minister Brian Mulroney.

As honourable senators will know, there have been many changes to the CAIS Program, and the first priority for the Minister of Agriculture was to get money into farmers' hands for the spring planting season.

I will take the question with regard to net or gross income to the Minister of Agriculture and bring forth a delayed response.

Senator Hays: Honourable senators, again, in the 1980s, there were other companion programs that accompanied the Gross Revenue Insurance Program, or GRIP, which is the one I am referring to; namely, the Farm Debt Review Board program and the Canadian Rural Transition Program. They were, unfortunately, an indication of failure in terms of addressing in a successful way the farm income crisis, but they were useful in terms of farmers who had gradually gone deeper into debt, faced serious problems, needed help to address that debt and, in the case of rural transition, went through the transition out of agriculture. Is that also under consideration?

Senator LeBreton: As the honourable senator knows, representing the West as he does, there have been many discussions about diversification, and programs that were in place in the 1980s do not address concerns facing farmers today.

Agriculture is a serious issue all over the country, but there are some parts that are more affected than others. I will certainly pass the honourable senator's specific question to the Minister of Agriculture.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

FIRST MINISTERS' AGREEMENT ON ABORIGINAL ISSUES

Hon. Jim Munson: Honourable senators, my question is for the Leader of the Government in the Senate. How can one government sign something like the Kelowna accord with the

Aboriginal people, and then another government steps in and says, "Our signature, our written word, is not our bond"?

Hon. Marjory LeBreton (Leader of the Government): I thank the honourable senator for his question. Minister Prentice made this very clear. He was at Kelowna and he participated in all of the meetings. At the end of the day, no Kelowna agreement was signed. There was a document put out with various sums of money allocated to various potential areas. There was no agreement. Minister Prentice supports the overall intent of Kelowna, but there were no agreements. There was no fiscal framework.

Senator Munson: Why did everyone sign on, then?

Senator LeBreton: I do not think a member of the opposition should be giving us any lessons in regard to governments signing contracts and then breaking them. I need only refer the honourable senator to the helicopter contracts and the Pearson Airport.

• (1425)

Senator Munson: We were talking about Canada's first people and the Minister of Indian Affairs said that this was just a piece of paper. To those of us who were witnesses to all of this, this was more than just a piece of paper.

A report released yesterday by the Canadian Centre for Justice Statistics points to the dire straits of our First Nations people. In an article from Sue Bailey for Canadian Press, she refers to the report and states:

Native people were twice as likely to be repeat victims, three times as likely to be robbed, assaulted or raped, and three and a half times more likely to be attacked by their spouse.

Ms. Bailey later wrote that:

Young native people have a greater chance of landing behind bars than graduating from university.

It is my belief that this situation must be addressed urgently. The Kelowna accord seemed to have the endorsement of everyone in this country: Premiers loved it, territorial leaders loved it and First Nation councils loved it. There were specific targets and the government gave its solemn word.

From our perspective, it seems that the present Prime Minister has decided to scrap this accord because his predecessor called it his greatest achievement. My question to the Leader of the Government in the Senate is: Will the current Prime Minister take a serious look again and adopt the Kelowna accord?

Senator LeBreton: First, there was neither an agreement nor a fiscal framework. Minister Prentice is probably the best-equipped because he truly understands the issues. He is very sympathetic and desirous of dealing with the serious issues that face our First Nations peoples.

During the western premiers' meetings, in Gimli, on May 29 in a news conference, Premier Gary Doer indicated that any new federal government should have the right to do some more

constructive priority setting in the area if that is their preference. Premier Doer also offered a reminder at the same news conference that the previous government did not put the Kelowna money into a fiscal framework and Premier Doer did not want to be unfair to the new government as a result of that. Premier Doer felt that the new government should have a chance to come to the premiers.

In the budget that Minister Flaherty introduced, and that we will begin working on in this place today, serious money was included to address issues of concern, including clean water, for some of our native communities.

Senator Munson: Minister Prentice's uncle, Dean Prentice, was a great hockey player, but I do not know how much of a stick handler the minister is on this issue. I wish him well.

Senator LeBreton: It is true that Minister Prentice is related to Dean Prentice; I believe he was his uncle. People, no matter what their political stripe, would acknowledge that in the person of Jim Prentice we have a very knowledgeable and hardworking minister. From what I have observed so far, from various meetings, he is seized of this issue and he perceives this as a very serious subject. With regard to the previous government, they were in power for 13 years and I did not see any great improvement, until the very last moment, with this so-called accord.

• (1430)

Hon. Joan Fraser (Deputy Leader of the Opposition): Forgive me, I am a little confused. The Leader of the Government says the Kelowna agreement was not an agreement. I think the leader is saying it was not an agreement even though it was negotiated among all the governments and the native peoples, because the details to implement it had not been written down and legislated yet. I think that is what I hear Senator LeBreton saying.

On the other hand, with the softwood lumber deal, Senator LeBreton tells us that the three-page document is the agreement; and the other stuff, the pages and pages of detail designed to implement it, is not the agreement. I do not understand. Can the leader explain this difference?

Senator LeBreton: Honourable senators, I am going by what Minister Jim Prentice has said publicly. He was at Kelowna.

There is no question there was a lot of goodwill. There were meetings with the provinces, and the Aboriginal leaders came together in an agreement. However, the problem was at the end of the conference. A press release was put out with certain sums of money allocated to various subjects but with no agreement as to where the money was to go. We had provinces thinking they were getting it; and we had Aboriginal leaders thinking they were getting it. For this reason, there was no Kelowna accord. Even people in the honourable senator's own government acknowledged that there was no actual signed accord with a fiscal framework attached to it.

With regard to the softwood lumber issue, there was an agreement. As I understand, yesterday Minister David Emerson appeared before the Standing Senate Committee on Agriculture and Forestry. He apparently presented the details of the negotiations and what the final agreements look like, which were well received by members on all sides of the chamber.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, before proceeding to Orders of the Day, I would like to draw your attention to the presence in the gallery of His Excellency, Ambassador Dugerjav Gotov of Mongolia, accompanied by First Councillor Halioon. They are also joined by a distinguished member of the bar of New Brunswick, David Lutz, who is well known to all New Brunswickers in the Senate. On behalf of all honourable senators, welcome to the Senate of Canada.

Hon. Senators: Hear, hear.

PAGES EXCHANGE PROGRAM WITH HOUSE OF COMMONS

The Hon. the Speaker: While I am on my feet, I would like to advise that today we have a page from the House of Commons with us. Her name is Kathleen Stokes of Victoria, British Columbia. She is pursuing her studies at the Faculty of Arts at the University of Ottawa, where she is majoring in history.

ORDERS OF THE DAY

BUDGET IMPLEMENTATION BILL

SECOND READING—DEBATE ADJOURNED

Hon. W. David Angus moved second reading of Bill C-13, to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

He said: Honourable senators, I am honoured and very pleased to propose second reading of Bill C-13, to implement certain provisions of the budget tabled in Parliament by the Honourable James Flaherty, Minister of Finance, on May 2 this year.

I do so in an atmosphere wherein we and all Canadians are sobered and shocked by the revelations coming out following the arrests last Friday and over the weekend of a gang of alleged terrorists.

Bill C-13 is designed to implement the fiscal and financial measures proposed in the new government's first budget. It focuses on the Harper government's five core priorities, and tangibly demonstrates how this government intends to make fundamental changes in the way we operate government and do business in Ottawa. Generally, the government intends to turn a new leaf for Canadians.

Bill C-13 contains good news for Canadians in all regions of our great nation.

The Hon. the Speaker: Order. Does the honourable senator have a BlackBerry?

Senator Joyal, do you wish to speak on a point of order?

Hon. Serge Joyal: I apologize to the honourable senators but I draw to their attention that the Speaker has made a ruling on the use of BlackBerries. Can the Speaker repeat what he said in the ruling for the benefit of all the senators so they will implement the nature and letter of the ruling?

The Hon. the Speaker: I thank the Honourable Senator Joyal for raising that. We have attempted to make it perfectly clear that BlackBerries interfere with our system. In fact, the rule is clear; no electrical devices are permitted in this chamber.

We have a ruling on that; it is a source of disorder. We are attempting to be gentle in this matter but it clearly interferes with the good conduct of our business in the house. I appeal once again to the goodwill of all honourable senators.

All honourable senators have the responsibility for this house and the good order in the house. The chair will do its part, so I appeal that the ruling that was made, and supplementary material that accompanied that ruling, be taken to heart. When you are on airplanes, you have to turn them off. Surely we can do at least that much in this high chamber of Canada.

Some Hon. Senators: Hear, hear!

Senator Angus: Honourable senators, Bill C-13 is good legislation and already appears to have a charmed life of its own, given the way it received unanimous consent in the House of Commons yesterday and received third reading in the other place without a single negative vote.

Honourable senators, it is clear that the penny has dropped.

Honourable senators, I believe it to be in all of our interests, as well as those of all Canadians, that we senators ensure safe and swift passage of Bill C-13 through the Senate by no later than June 23 — of course, with similar unanimous consent, but after the customary review and appropriate sober second thought by all members of this chamber.

Lest there be any doubt, honourable senators, I respectfully submit that in the case of Bill C-13, our traditional role and duty is to deal with the legislation efficiently, effectively and in good time so Canadians will be able to receive and benefit from the taxation and related socio-economic policy initiatives set forth in the government's Budget 2006, the key elements of which Bill C-13 proposes to implement.

From a policy point of view — and whether some senators may or may not like it, honourable senators — this bill cries out for speedy passage through the Senate. Budget 2006 is a simple and straightforward piece of work, generated by a government that is committed to doing exactly what it says it will do — and what it said it would do during the recent election campaign that led to the formation of Prime Minister Harper's new government.

The reality is that it is a no-nonsense, focused effort that contains no surprises. To me, this is the most refreshing element of Budget 2006. Honourable senators, I am reliably informed by various colleagues, including the Leader of the Opposition in the Senate, that the tradition in this place in cases where governments

of the day are substantially outnumbered by the opposition in the Senate, is to review and implement, not to take the risk and try to change or amend a government's budget legislation.

• (1440)

In my view, honourable senators, this is a noble tradition that senators have honoured time and again with past budgets, some 10 or 11 times when opposition senators outnumbered those representing the government.

Bill C-13 is a money bill seeking appropriation of public revenue in the true classical sense of the term. I believe strongly that it is up to us, honourable senators, to approve and adopt it as drafted.

From a strictly technical and legislative point of view, honourable senators, Bill C-13 is complex and lengthy, being some 186 pages long. Each and every word has a special meaning, and the provisions have been carefully crafted together by the government's legislative drafting specialists. Changing words and phrases here and there, even in a seemingly minor way, could have far-reaching consequences that could change or alter substantially the intention and/or effect of the proposed legislation.

The fact is, honourable senators, and it needs to be repeated: Canada's tax laws have evolved over the past 30 years into a nightmarish web of intricate, interrelated and intertwined verbiage that even the highly trained and skilled fiscal experts in the legal and accounting professions are challenged and hard pressed to decipher, understand and explain. Even the documents that ordinary Canadians must go through simply to prepare and file their annual personal income tax returns now fall into this category.

Honourable senators, Canada's fiscal laws are in urgent need of overhaul, updating and reform. We have not had meaningful and comprehensive tax reform in this country since the days of Walter Gordon and Kenneth Carter.

Bill C-13 makes the point clearly. It contains 13 separate parts or sections, each one dealing with a totally different subject matter. I believe that this government understands the problem and is ready and able to take the necessary action.

Finance Minister Flaherty repeated several times in his budget speech that Canadians are overtaxed and that far-reaching changes are urgently needed in this domain.

Minister Flaherty reiterated the plea frequently before and after tabling this government's first budget on May 2, 2006. Frankly, honourable senators, I find it difficult to disagree with the minister. The hard and clear evidence is that Canadians at large are overtaxed and burdened with fiscal red tape to a totally unacceptable degree. Hardworking ordinary Canadians, our entrepreneurs and our businesses large and small are being punished and are at a competitive and lifestyle disadvantage vis-à-vis our neighbours to the south and the individuals and corporate citizens of our allies and trading partners around the world. The social and economic consequences and impacts are important and, I suspect, might be much worse than we realize. It is time for a major change in the way that we generate taxation revenues in Canada.

Honourable senators, it is time to turn a new leaf in the fiscal domain, and I suggest that with Budget 2006 the new government has made a good start, albeit only in a preliminary way. The good news is that this government clearly recognizes the problem, has declared its intention to address it head-on and has taken some specific action, as per its election and policy platform promises, to alleviate onerous tax and other socio-economic burdens that Canadians today are forced to endure.

What do I mean by a good start? Honourable senators, how about making Canada's federal budget framework more transparent and limiting the growth of spending?

How about creating opportunities for Canadians by reducing the Goods and Services Tax by one percentage point effective July 1, 2006, and reducing personal and business tax burdens up to \$20 billion over just two years?

How about investing in Canadian families and communities by introducing Canada's universal child care plan, tax relief for pensioners and investments in public infrastructure?

How about the government making a good start by providing more security and protection for Canadians in this troubled and unsettled world by hiring more police officers and securing safer and more open borders? How about better preparing for emergencies, bolstering defence and taking measures generally to strengthen Canada's role in the world?

How about moving to restore fiscal balance in Canada by developing patient wait time guarantees and by addressing other concerns about fiscal imbalance based on fundamental principles that all Canadians can and, by all evidence and reports, do support?

These, honourable senators, are the five initial core arguments — the commitments that this government made to Canadians for building a better Canada, and Bill C-13 is but one of the ways by which the government is delivering on promises in this regard. As Prime Minister Harper says, these measures represent promises made and promises kept.

Yes, honourable senators, there is much more to be done, but this government's Budget 2006 and Bill C-13, before the house today, represent a clear, concrete and no-nonsense good start. Minister Flaherty stated when delivering his budget speech on May 2:

This budget is balanced, our spending is focused and taxes will go down for all Canadians. There is more tax relief in this one Budget than in the last four federal Budgets combined. The Budget also delivers twice as much tax relief as new spending. For every new tax dollar we spend, this government is returning two tax dollars to hard-working Canadians.

Honourable senators, in those parts of Budget 2006 to be implemented by Bill C-13, there are 29 separate and particular taxation reductions. This bill delivers on the government's commitment to cut the GST by one percentage point down to

6 per cent effective July 1, 2006. This GST cut will benefit all Canadians by close to \$9 billion over two years from that one reduction, even those who do not earn enough money to pay personal income tax. Very importantly, to provide relief to low and modest income Canadians, the budget keeps GST credit at current levels, even though the GST is being cut.

That is not all. Bill C-13 also proposes a comprehensive plan to reduce personal income taxes for all taxpayers, starting with an increase in the basic personal exemption, which is the amount that an individual can earn without paying any tax. The government says that it wants to ensure that this amount grows each year and remains above the currently legislated levels into 2006, 2007 and beyond.

In concert with the plan, Bill C-13 also proposes to reduce the lowest personal income tax rate from 16 per cent to 15.5 per cent effective January 1, 2006. It also confirms that the rate will be 15 per cent from January 1, 2005, to June 30, 2006. Together, these measures will provide personal income tax relief of almost \$2.8 billion in this coming fiscal year, 2006-07, and a further \$1.9 billion in 2007-08. This is exciting stuff, honourable senators, that sends shivers up my spine.

Honourable senators, it is important to remember that working Canadians are the foundation of Canada's economic growth. However, choosing to work also means additional costs for everything from uniforms, to safety gear, to home computers and various other supplies. In recognition of these costs Budget 2006 has introduced the Canada employment credit. This is a new employment expense tax credit for employees' work expenses. This credit will increase the amount of net income that working Canadians can earn without paying federal income tax to almost \$10,000 by 2007.

Taken together these measures will deliver almost \$20 billion in tax relief for Canadians over the next two years. It is incredible. As a result, about 655,000 low-income Canadians, or two-thirds of one million Canadians, will be removed from the tax rolls.

Budget 2006 brings tax relief that Prime Minister Harper promised to Canadians operating businesses. In fact, the same promises were made by the former Liberal government, but they were never delivered upon. The new measures will enable Canada's businesses to go into a fair fight with their commercial competitors.

• (1450)

Bill C-13 proposes a significant business tax relief plan that will reduce the general corporate income tax rate from 21 per cent to 19 per cent by January 1, 2010. The bill also proposes to eliminate the corporate surtax for all corporations in 2008 and to eliminate the federal capital tax as of January 1, 2006.

Honourable senators, the new tax measures are clear and in some notable areas implement, once and for all, in a decisive and bold way, initiatives that former Liberal governments refused or failed to deal with effectively.

I respectfully cite the following two simple and straightforward examples. First, this budget removes immediately the excise tax on jewellery and related products like clocks and watches. Efforts

in this regard by the Martin government were clumsy and ham-handed, and they left an entire industry abjectly disappointed and with sadly dashed hopes after having raised their expectations with promises that were never properly fulfilled.

As Prime Minister Harper says in this case: Promises made, promises broken.

My second example is encouraging increased charitable giving by Canadians in a very substantial way by completing the job started tentatively and timidly by the Chrétien government several years ago. Budget 2006 and Bill C-13 effectively remove the capital gains tax on the appreciated value of listed securities being donated to registered charities such as cultural, health and educational organizations in Canada.

In like manner, the capital gains tax on environmentally sensitive lands donated to worthy charities dedicated to protecting our environment, such as Ducks Unlimited, has also been removed. The results of these changes in the charitable giving area are already evident in a huge way. Some \$100 million of gifts have been announced in the last few days, and we understand that many more huge charitable gifts are in the pipeline awaiting unanimous passage of Bill C-13 without amendment.

In terms of the safety and security of Canadians, we have collectively been stunned by the wake-up call visited upon all Canadians by the arrests of 17 alleged terrorists in and around Toronto last Friday and over this past weekend and by the revelations made subsequently in the context of the arraignment in court and the declarations of the defence counsel of the accused suspects on Monday and yesterday.

However, the good news is that the government of Prime Minister Stephen Harper is acutely aware of and ready to face up to the dangers that threaten our freedom and our open way of life which we so value. That is why the government has a new law and order agenda and that is why it is committed to supporting our police forces and our public safety organizations as well as our brave members of the military. That is why, honourable senators, the government has made a series of initial but tangible steps in Budget 2006 to demonstrate its determination in the areas of national safety and security.

New financial support measures introduced in the budget, and which are contained in Bill C-13, include, first, \$1.125 billion for the Canadian Forces for the hiring of more troops, purchasing of necessary equipment, paying for improved base infrastructure and Arctic sovereignty, and restoring a regular army presence in British Columbia; second, \$214 million to the RCMP for hiring new recruits and expanding their training depot; third, \$20 million for youth crime prevention; fourth, \$15 million for the DNA data bank; fifth, \$26 million for victims of crime; sixth, \$38 million for emergency response programs; seventh, \$95 million for passenger rail and urban transit security; eighth, \$133 million to the Canadian Air Transport Security Authority; ninth, \$404 million over two years for various programs to enhance border security, national emergency response, a no-fly list and arming border guards; and tenth, \$460 million over two years for preparing for a pandemic such as avian flu or SARS.

The budget and Bill C-13 also contain important assistance provisions for Canadian families, including the universal child care benefit for children under six years of age, which will cost \$3.7 billion over the next two years. As well, the budget provides for substantial assistance and funding for Aboriginal Canadians, the reduction of greenhouse gas emissions and protection of our precious natural environment, major investment in a wide variety of needed infrastructure projects, agricultural sector support, support for the Canadian Council for the Arts and one-time extra funding to the provinces in the sum of \$255 million for equalization.

Honourable senators, I could go on about Budget 2006 and Bill C-13, and I know you would like me to. The sun is shining brightly, the air is warm and sweet, the birds are singing, beautiful flowers are in bloom and our magnificent trees are blossoming and bursting into new foliage. Canada's spring is here with all its splendour, and summer is fast approaching. Indeed, the first day of summer is only two weeks away.

I urge honourable senators to celebrate the advent of our Canadian summer 2006 in a constructive and honourable way. Please use the next two weeks to reflect upon this excellent budget implementation bill and then pass it into law, as is, so that we can all get on with our lives and deal with more threatening problems as well as enjoying a fine Canadian summer with our families.

In like manner, this determined new government can then get on with its exciting agenda to improve the lives of all Canadians and to make Canada a safer, more secure and better place in which we can all live happily ever after.

Hon. Daniel Hays (Leader of the Opposition): Honourable senators, I am amazed that Senator Angus did such a good job of making such heavy material entertaining and interesting. I have a couple of questions.

• (1500)

The government is doing what it promised to do. In effect, it is deferring capital gains tax for capital gains reinvested within six months. Would the honourable senator comment on why that is not in the budget?

My other questions deal with the fiscal imbalance. The accompanying paper on the fiscal imbalance is a very good piece and, while heavy-going, is instructive to those who are curious about what the Prime Minister may have been talking about in addressing the fiscal imbalance, although the document does not lead me to an identification of just what it was. We have heard from the premiers, who are not happy for different reasons, whether they will have to pay more if they are a contributing province or receive less if they are not.

Based on his briefing, would the honourable senator comment on what he expects the definition and treatment of fiscal imbalance will be, now that we have the benefit of the O'Brien committee report?

Senator Angus: Senator Hays has raised two very interesting points, and certainly they are ones that concern me. I have raised both of those questions. I cannot say — and I think honourable senators will appreciate this — why something is or is not in the

budget. However, what I can say is that what the government said would be in the budget was there; they were the five core objectives. Minister Flaherty has been clear on the other matters, including the deferred capital gains tax matter with the rollover as described in various speeches. He said that we are addressing this with officials in the Department of Finance and other experts because it is a very complex thing. As I said earlier, when you start changing something that is part of a whole thing, you get a domino effect. As I understand the government's policy, the matter is under close study. We are pursuing the subject at the Banking Committee, and it will hopefully form part of the tax reform I discussed.

In regard to the fiscal imbalance, I do not think anyone would argue with the fact that there is an imbalance amongst the provinces in this country. This is one of the things out of kilter with our federation. This is also a complex problem. I believe the answer to the question is that we have made a start. There has been an initial one-time payment of \$225 million to address the problem. There has been a declaration of intent and discussions are underway. The parties are not *ad idem* on any of the issues; it is a complex subject. The government is determined to wrestle the matter to the ground and to bring a greater balance amongst our various partners in the federation.

Hon. Art Eggleton: Senator Angus has described, with great enthusiasm, various provisions that are in the budget bill. I wish to ask about the provisions that are not there. What about nothing for the implementation of the Kelowna understanding? What about nothing for post-secondary education? What about no concern in providing for quality early learning and child-care spaces? The honourable senator spoke about the temperature getting warmer outside. What would the honourable senator say about the subject of climate change? The minister said at the time that he would provide for \$2 billion. That money is not in here. The amount was previously \$5 billion. He has criticized the previous government for not having met their goal of \$5 billion, but somehow, without a climate change policy, he thinks they can do it for \$2 billion. What would the honourable senator say about the importance of all of these items from the budget?

Senator Angus: What about them? What is the question?

The government said they would provide in its initial budget, brought in on May 2, soon after it was sworn in, a clear, no-nonsense, no-surprises budget. We should be pleased with that.

The other issues the honourable senator has mentioned are important for each and every Canadian. I am happy to be able to confirm that these matters are all being addressed and the honourable senator should be very pleased.

Let us look at the environment. We have had discussion here today. There was such a mess left by the previous government in terms of a plan for Canada for dealing with climate change, for participating in Kyoto and for dealing with the problems of the environment. The situation left by the Honourable Mr. Dion has had to be totally scrapped. I want the honourable senator to know, that when he sees the new outline, it will knock his socks off.

Senator Eggleton: Aside from disagreement on the last concept, I guess while the honourable senator says that these items are important, they are obviously not a priority for the government or they would have been in the budget.

Let me ask about a couple of things that were mentioned by the Minister of Finance. Things such as the urban transit credit and the textbook credit are not in the budget. When does he expect these items will be addressed?

Senator Oliver: Next budget!

Senator Eggleton: Are they coming in a separate bill?

Senator Angus: All I can tell the honourable senator is that all of these matters that are of great interest to all Canadians are being addressed in the most serious way. This government unloads policy implementation one day after another; the Canadian people are applauding. I looked for just one or two good quotes from the newspapers to refer to for my boring speech today and they were unanimous about what a great job this government is doing and how much it is getting done in the little time that it has been in office. Stay tuned, because there is more to come.

Hon. Jeremiah S. Grafstein: It is with some apprehension, after that mighty, powerful and resounding address, that I raise a scintilla of a question with respect to the Province of Ontario. There is no question that in the Province of Ontario there has not been unanimous approval of this budget. Those are the facts. We hear from the premier of the largest province in Canada, and the Minister of Finance for the Province of Ontario, and both of them have virtually said the same thing. To be fair to Minister Flaherty, he says that this matter required some attention, as the honourable senator has suggested.

Let me be precise about this. As I understood it, Mr. Harper came to the Province of Ontario during the last election and made a series of promises. One that I heard with clarity was the promise to fulfill the commitments that the federal government made to the Province of Ontario with respect to the payment of infrastructure, transit and a number of other issues.

We heard several weeks ago from the Minister of Finance of Ontario, with whom I discussed this, that there appeared to be a disconnection between that promise, which was quite precise and upon which the voters of Ontario relied. He found, to his concern and confusion, that when he looked at the monies that were to be forwarded to the Province of Ontario, there was a disconnection of somewhere between \$6 billion and \$8 billion in the current period.

I hope I am not taking it out of context, because this is based on newspaper reports. Minister Flaherty went to the Province of Ontario. Minister Flaherty understands these issues and the finances of the province as well as Minister Duncan. Minister Flaherty said that there was some confusion and the government would try to deal with it in some particular fashion. That appears to be inconsistent with the tenor of debate and the siren song that the honourable senator has enunciated in this chamber that all the promises were kept.

My short question is: Was the promise kept, that Mr. Harper made in Ontario, to fully fund, in accordance with the previous government, the questions of infrastructure, relief and the timing of those payments, because they were quite precise? We now understand that that is not the case.

• (1510)

Senator Angus: Honourable senators, that was indeed a scintilla of a question, and I am tempted to ask the minister to refer the problem to the Standing Senate Committee on Banking, Trade, and Commerce to determine where the disconnect has happened. I have nothing further to say other than I have taken note of the comments.

Hon. Willie Adams: I have a question for my good friend Senator Angus. He mentioned more infrastructure for the military and Arctic sovereignty, but I heard no mention of icebreakers.

A few months ago, the Prime Minister promised some icebreakers in the name of Arctic sovereignty. Five or six years ago, Senator Comeau and I took an icebreaker from Resolute to Coppermine. It was the biggest icebreaker we had, the *Louis St. Laurent*. We got stuck a few times in the permanent ice. If we want to break up the ice, we need to build bigger icebreakers in the future. If we want to assert Arctic sovereignty, we need to ensure that the people from the community are involved. We have been living up there for thousands of years. If we want to have a military infrastructure, the community must be involved.

Senator Angus: I thank the honourable senator for that. We have spent long hours working together to address some of the problems facing us as we move forward to exercise our obvious and clear right of sovereignty in the North. This government has committed the funds to shore up our own sovereignty in the face of climate change and other things evolving in the modern day world. Bill C-13 seeks to have them appropriated for the purposes specifically outlined in the budget. There is a commitment to put the appropriate infrastructure in place so we can have an in situ command of people and resources to do the things necessary to protect our rights of sovereignty where Senator Adams lives. I think Senator Adams would be pleased because colloquially we are referring to it as the "Adams clause" in our policies.

Hon. Joseph A. Day: Honourable senators, in anticipation of Bill C-13 being referred to the Standing Senate Committee on National Finance, I look forward to the honourable senator's participation as the sponsor of the bill and to the honourable senator bringing some levity to a committee which otherwise tends to be somewhat serious in its dealings with these matters.

The honourable senator mentioned the reduction in the GST. Indeed, we look forward to discussing that matter when the matter is referred to committee.

The honourable senator also referred to the fact that the lowest marginal tax rate is to continue for a year at the same rate as the previous rate, 15 per cent. However, the lowest marginal tax rate will be increased by half a percentage point as is provided for in Bill C-13 to make up for the reduction in GST of one point. There is a promise to reduce the GST by another percentage point, to five per cent, sometime in the future. I wonder if the honourable

senator can tell us if the marginal tax rate will be increased by another half a percentage point to make up for that reduction.

Senator Angus: As the honourable senator well knows, I am not in a position to talk about some new policy that the government is evolving. The budget speaks for itself. I am pleased to know that the honourable senator anticipates having something to do with this in his committee. I suggest that the sooner we get it to committee, the better, and the sooner we will be able to return the bill to this place and pass it unanimously so we can enjoy the Canadian summer.

Senator Day: I always appreciate comments with respect to getting things quickly into and out of committee, but I also always hesitate to make that kind of comment to members of the committee. I will let them do the work that is necessary, thoroughly and responsibly. I am sure that in due course they will do so.

Hon. Grant Mitchell: Honourable senators, I have a question on the issue of fiscal imbalance. The honourable senator was quite chuffed about the fact that this budget somehow addresses the question of fiscal imbalance and seemed to say that it was a real issue. That is debatable. There is a real question about whether there is a fiscal imbalance at this time given the fact that the provinces have actually more sources of revenue than the federal government. In addition, the federal government gives about \$42 billion a year to the provinces, which they can spend essentially of their own accord.

Is the honourable senator convinced that the Prime Minister will not go back on his promise, which was not to include resource revenues in equalization calculations? Either way, will the honourable senator make the commitment that he will argue against his Prime Minister, in caucus, in this Senate and wherever it is possible to argue against him, to ensure that the Prime Minister does not include resource revenues or any portion of them in the calculation of equalization? Can the honourable senator give us some idea, if the Prime Minister were to go ahead with including resource revenues in the equalization formula, where the Prime Minister would get the money? Would he increase taxes on all Canadians, or would he reduce current federal expenditures? If so, where would he propose reducing those expenditures to get the billions of dollars that commitment would incur?

Senator Angus: Honourable senators, the Prime Minister is capable of speaking for himself on these matters. He also, as you well know, is clear when he makes these statements. They are not susceptible to being twisted around to elicit new things.

He has made it clear that in his view — and it is a view that I, most Canadians and most economists share — the federation is out of whack. Call it what you will, it is being addressed and studied in the most serious and profound way that this government and its resources can marshal. This study includes the ongoing discussions with the opposite members of the provinces.

The senator knows I cannot give him more than that. I conclude by saying this Prime Minister has a saying that I happen to subscribe to, as do my colleagues here. That is, "Promises made, promises kept," which is a refreshing change from the previous government.

Senator Mitchell: Is the slogan being changed from, “promises made to preferences kept?” That is what he now calls this idea, this promise not to include resource revenues in the calculation of equalization. That was only a preference, so perhaps he will not keep preferences.

You are from Ontario, and you are saying that Canadians generally think this is not — never mind.

Senator Angus: Let me say this: I was born in Toronto, and I was happy to be born there, but was I ever glad to get out of there.

[Translation]

I am a very proud Quebecer. I have been living in Quebec for 67 years.

[English]

On motion of Senator Eggleton, debate adjourned.

• (1520)

FINANCIAL ADMINISTRATION ACT BANK OF CANADA ACT

BILL TO AMEND—SECOND READING— DEBATE ADJOURNED

Hon. Hugh Segal moved second reading of Bill S-217, to amend the Financial Administration Act and the Bank of Canada Act (quarterly financial reports).—(*Honourable Senator Segal*)

He said: Honourable senators, like all of you, I was deeply moved by Senator Angus’s comments.

I was reminded of a speech I made once in a church basement not far from this building as I stepped down as the proverbial losing candidate in the riding of Ottawa Centre for the Conservative Party. Mr. Stanfield was present at that event. After I gave an emotional word of farewell to my fellow constituents, friends and supporters, Mr. Stanfield was good enough to come to the microphone and say, “Hughie, I watched the eyes, I listened to the hearts and I took careful note of what transpired in the room, and I can report there was not a wet eye in the house.”

As Senator Angus spoke about the budgetary provisions for the future, I introduced Bill S-217, a bill that, if passed, would require a new approach by government departments and Crown corporations to submit quarterly financial reports to both Houses of Parliament. The point of such reporting is straightforward.

The current practice of retroactive annual reporting, looking back on government departments’ and Crown corporations’ accounting, means that parliamentary governance no longer takes place in real time. Rather, financial reporting that occurs only on a government-wide basis, quarterly, or by department, annually, and always retroactively, highlights departmental inadequacies and failures long after remedial action is possible.

Quarterly reporting would enhance trust in the management of public money and the challenge of spending taxpayers’ money carefully and effectively. It would mean progress on many fronts. Above all, it would give Parliament real-time financial information with which to discharge its Magna Carta duties, namely to control the expenditures of the Crown before they transpire.

Coincidentally, the day after I introduced Bill S-217, seconded by Senator Murray, the Standing Senate Committee on National Finance questioned the Auditor General, Ms. Fraser, on her May 16 status report. I quote from their press release of June 2:

During the meeting, Committee members raised a range of issues relating to government financial practices.

There was debate on uncollected taxes, accounting errors in reported spending, Public Works’ challenges in their choices to buy or lease buildings and changes to government programs and their effects in performance accounting criteria.

As well, and I quote again:

The long-standing issue of departments moving to accrual accounting was also discussed.

Honourable senators, in the 1970s Canada’s Parliament surrendered its pre-control of government expenditures. At that time, the “deemed to be reported” rule was brought in relative to committee consideration of estimates. In plain English, expenditures, the financial estimates of tax dollars, were not actually reviewed and/or approved in any detail from that moment forward. They were “deemed” to be reported, and the actual accounting of these numbers was dealt with at a later date and, by definition, retroactively. Ironically, the Auditor General’s mandate in that same period of time was changed to incorporate assessing “value for money.” That began across the country, in the provinces and in Ottawa.

Retroactive reporting and assessing operates solely in a judgmental framework. Parliament gave up its right to pre-assess value for money, as the Auditor General took that right upon herself and themselves across Canada. Retroactive reporting and assessing operates solely in a Monday morning judgmental framework. It works well if the only goal is to finger-point and to lay blame, but it does nothing for actual corrective parliamentary action in real time.

Accountability in real time, on an accrual accounting basis with quarterly departmental financial reports, would facilitate Parliament’s capacity to act in a corrective fashion within the existing fiscal year. Retroactive accountability is usually mostly about blame and punishment.

In the real world, if an individual, pension fund or company chooses to invest hard-earned dollars in a publicly traded corporation in Canada, they can rely on quarterly reports to assess and monitor a company’s performance, at which point an informed choice can be made to withdraw the investment or to allow it to remain, based on the information provided in those reports.

Canadian taxpayers may not have an individual choice regarding their investment in the Crown, since these dollars are largely deducted by tax law at source. They do deserve at least the same level of assurance and information regarding federal expenditures as is offered to the shareholders of public companies. Publicly traded companies are bound to provide to the public and its shareholders four reports annually. There is no reason why shareholders of public companies should be afforded more rights than Canadian taxpayers. The Canadian public is, after all, the ultimate shareholder of any public enterprise and their right to real-time financial data should be no less than those of corporate shareholders.

Honourable senators, Bill S-217 focuses on premises of disclosure and accountability — and not only to the public. It would also alert the government and Parliament to problems in any given department early on in the process and enable more timely remedial action. Bill S-217 provides for a requirement for quarterly, real-time reporting, allowing problems to be identified and remedied before they spin out of control. It facilitates a real-time reaction and corrective capacity.

The vast majority of all civil servants who serve the Crown want to tell the truth about financial performance, and they would prefer to do so without the financial information in their department being managed by their political or bureaucratic masters of the day. This bill and its requirements would liberate civil servants, allow them to do the work required and expected of them. It would prevent the politics of the department from attempting to manage financial information in a fashion so recently criticized in the Auditor General's report on the long-gun registry. A firm financial disclosure policy and frequent disclosure to Parliament would lead to more openness and accountability, clarity sorely needed in the post-Enron, post-long gun registry world.

The preamble of Bill S-217 clearly summarizes the rationale for such a requirement at this point in time. While retroactive financial reporting serves no purpose other than to highlight failures or mismanagement, the Canadian public — the shareholders of Canada's departments and Crown corporations — deserve a level of openness and, more importantly, trust in the way their money is managed.

The discipline of regular financial reporting would provide the much-needed alarms identifying mismanagement and underspending, where appropriate, and allow Parliament to step in and correct a financially difficult circumstance. It would increase Parliament's control and, combined with the new parliamentary budget office proposed and being discussed in the other place, would seriously enhance the role of Parliament, parliamentarians in both chambers, protecting taxpayers, the shareholders and the public purse.

I ask with all humility that honourable senators review the merits of this bill and I urge that it be allowed to proceed further in our process through second reading. I trust in the review process of the Standing Senate Committee on National Finance, where I raised this issue with the former head of the Treasury Board under the previous administration — and I might say that distinguished minister from Winnipeg was very open and

constructive when the idea was expressed. That review process, after an in-depth study of Bill S-217, would allow the matter to be addressed in a fashion that I think would be constructive in the interest of clarity and the protection of the public service and the taxpayers of Canada.

On motion of Senator Fraser, for Senator Fox, debate adjourned.

• (1530)

STUDY ON CONSUMER ISSUES ARISING IN FINANCIAL SERVICES SECTOR

REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the second report of the Standing Senate Committee on Banking, Trade and Commerce, entitled: *Consumer Protection in the Financial Services Sector: The Unfinished Agenda*, tabled in the Senate on June 6, 2006.—(Honourable Senator Grafstein)

Hon. Jerahmiel S. Grafstein: Honourable senators, let me begin by saying how pleased I am with the report of the Standing Senate Committee on Banking, Trade and Commerce, *Consumer Protection of Financial Services: The Unfinished Agenda*. The report is a comprehensive overview of changes to Canada's financial sector that we believe would enhance consumer protection. There are 20 carefully targeted recommendations based on the evidence we heard from over 80 witnesses, whom I wish to thank for taking their time to come to Ottawa to share their thoughts and their expertise with the committee. Their testimony was very informative.

I thank as well the large number of senators, 21 in all, who participated in aspects of this report and in particular, those who are currently on the committee and actively debated its final recommendations.

I want to commend our former clerk, Gérald Lafrenière, our present clerk, Line Gravel, and our research staff led by the competent June Dewetering who did a superb job of weaving together this complex, coherent tapestry of recommendations.

Of course, I would like to pay special tribute and thanks to the Deputy Chair of the Banking Committee, my friend the Honourable David Angus, who spoke so eloquently earlier this afternoon, for his creative support as we undertook many months of hearings on this important topic of how to protect the consumers in this era of complexity in the marketplace and the proliferation of financial services and choices.

Honourable senators, I have a long interest in consumer protection that dates back over 40 years to my earliest days on Parliament Hill. In 1967 I helped to draft the bill to establish the Department of Consumer and Corporate Affairs. Many changes have taken place since that time. The department was ultimately merged with the Department of Industry. About five years ago, however, an important benchmark bill was passed, Bill C-8, to establish a financial consumer agency.

I urge my colleagues to consider whether it is time to see how that bill's provisions were working. Were they protecting the consumer in the way that Parliament had envisaged in 2001 and, more importantly, with five years of experience with the system, were changes needed to protect consumers better in the future? The answer is a resounding yes. Changes were needed. Qualify that it depends on whether the system was working as well as it could and as well as it was planned.

I commend the members of the financial sector who made excellent progress in the reform of their internal practices to provide better, more efficient and fairer consumer protection mechanisms. However, one of our major concerns was the confusion by the consumers in their consumer redress. Therefore, one of our major recommendations was to establish one ombudsman for the financial services sector while keeping intact the various pillars within this umbrella organization to ensure that sensitivity, expertise and timeliness are brought to bear in fairness on any consumer complaint, be it from the financial, insurance or any other aspect of the financial sector.

While many areas require improvement, I will touch on several that we believe require urgent attention. Payday loan organizations need immediate attention. In fact, some elements of the industry itself are calling for more regulation. While I agree with some of the witnesses that education would reduce the extent to which consumers use these services, in the view of the committee it would not be enough. The phenomenal growth in the industry from a dollar to over \$6 billion in the last five or six year years and the high fees and rates they charge cry out for in-depth attention and study. That is why the committee recommended such a study on a priority basis, most particularly because it overlaps federal and provincial jurisdictions. The provinces have lagged behind in examining this matter. We hope that this study will make this an urgent issue.

We want to know why the growth of this sector has been so rapid, how their fees are structured and how they should be regulated for greater protection for consumers. Obviously, these service providers are fulfilling a need, but the question for other financial institutions is why such a large gap has occurred in our rather competitive financial sector.

Another area that we believe deserves attention is consumer credit, whether the consumer is an individual or a business. In my view and that of many colleagues on the committee, individuals need access to reasonably priced credit in order to participate more fully in the economy. For their part, small- and medium-sized businesses that are the engines of growth and the creators of jobs in this country also require access to reasonably priced credit if they are to compete effectively both domestically and internationally.

This is an old chestnut, but we thought we had to roast it once again to bring it to the fore of public attention. Therefore, the committee recommended that the federal government study the means by which federally-regulated institutions need better access to reasonably priced credit for individuals and for small businesses.

There are some new and some old gems of recommendations in this report. The need for one national security regulator continues

to be pressing. This costs the consumer and the economy much and retards growth and productivity. Our suggestion is that we establish one national securities agency within the National Capital Region in Ottawa to avoid some of the provincial rivalries that retard this important reform.

We also think that it is important that the Integrated Market Enforcement Team under the RCMP receive more funds to allow for more and greater expertise in prosecuting large corporate frauds quickly and fairly.

I invite all senators and the public to carefully examine each and every one of our recommendations. We believe that a good economy is an economy that operates effectively, fairly and transparently and increases investor and consumer confidence in this most important sector of our life, our national economy.

I thank all honourable senators who participated in this landmark study. We will be following the outcome of our recommendations with great care and attention.

Honourable senators, in our era, the issue is not *caveat emptor* but *conturbat emptor*. We have to ensure that the consumer is not only aware but also not confused.

I will say a special word to Senator Plamondon, who, as an independent, played a key role in the deliberations of the committee. Many of our recommendations can be traced to her thoughtful participation. I thank all honourable senators for their patience.

Hon. Lowell Murray: Would the honourable senator accept a question?

Senator Grafstein: Yes.

Senator Murray: What significance, if any, are we to attach to the fact that the Chairman of the committee has not moved the adoption of his report?

Senator Grafstein: I thank the honourable senator for his question. I thought that it would be appropriate to hear from honourable senators on both sides before we address the issue of how to conclude this debate. Certainly, I intend to move the adoption of the report.

On motion of Senator Angus, debate adjourned.

• (1540)

THE SENATE

MOTION TO URGE GOVERNMENT TO PROMOTE SMOKE-FREE WORKPLACES AND PUBLIC AREAS ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Harb, seconded by the Honourable Senator Keon:

That the Senate takes note that tobacco smoking continues to cause an estimated 45,000 Canadian deaths and to cost our economy up to \$15 billion each year;

That the Senate notes that current federal legislation allows for ventilation options and smoking rooms in workplaces under federal jurisdiction even though they do not provide full protection from second-hand smoke and that full protection from second-hand smoke can only be achieved through the creation of workplaces and public places that are completely free of tobacco smoke;

That the Senate urges the Government of Canada to pass legislation to ensure that all enclosed workplaces and public places under its jurisdiction are smoke-free;

That the Senate ask the Government of Canada to call upon each province and territory that has not yet done so to enact comprehensive smoke-free legislation; and

That a message be sent to the House of Commons requesting that House to unite with the Senate for the above purpose.—(*Honourable Senator Tkachuk*)

Hon. Wilbert J. Keon: Honourable senators, I wish to speak briefly in support of this motion. The evidence of the damage from second-hand smoke is now overwhelming. There is no controversy left, and there is no excuse for the exposure of innocent citizens to second-hand smoke. I could elaborate on the documentation of diseases that have been caused by second-hand smoke and the deaths that have occurred, but that was covered in Senator Harb's initial remarks.

I wish to lend my support to this motion and suggest that it be dealt with today.

Hon. Anne C. Cools: Honourable senators, I wish to bring to your attention a problem with this motion, which problem is not insurmountable.

The fourth paragraph of the motion says:

That the Senate urges the Government of Canada to pass legislation to ensure that all enclosed workplaces and public places under its jurisdiction are smoke-free;

Honourable senators, a motion cannot ask the government to pass legislation. The passing of legislation is exclusively a parliamentary phenomenon. Perhaps Senator Harb could consider amending his motion. I have not read the rest of the text; my eye just fell to that part.

It is not uncommon in this era for journalists and members of Parliament to talk about governments passing legislation. Common parlance denies the constitutional reality. Perhaps we should look at the drafting of the entire motion to see whether there are other defects in it.

The Hon. the Speaker: I understand that Senator Cools was rising on a point of order. She drew our attention to the wording of this motion. I find nothing out of order with the wording of the motion. However, in her presentation Senator Cools has raised some issues of substance on which Senator Harb might wish to comment.

I must advise honourable senators that, should I recognize Senator Harb, his remarks will have the effect of closing the debate.

MOTION MODIFIED

Hon. Joan Fraser (Deputy Leader of the Opposition): Honourable senators, Senator Cools has raised an interesting parliamentary point. Perhaps Senator Harb would be willing to contemplate a friendly amendment to his motion so that it would read:

That the Senate urges the Government of Canada to introduce legislation...

If he did that, perhaps Senator Cools would consider her point of order resolved.

The Hon. the Speaker: If it is the will of the house, we will simply substitute the word "introduce" for the word "pass." I was reading the motion in that fashion.

Is it agreed that the word "introduce" will replace the word "pass"?

Hon. Senators: Agreed.

Hon. Mac Harb: I wish to thank honourable senators. This is a purely non-partisan motion. It is my hope that the Senate will approve the motion as amended.

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

Hon. Senators: Agreed.

Hon. Anne C. Cools: Honourable senators, what was really required was a motion for amendment. Senator Harb should have moved a motion to amend his motion, because a motion cannot be put to the house by unanimous consent. Senator Harb should have moved that the motion be amended by substituting those words. That should have been voted upon and then the question should have been put on the amended motion.

Motion agreed to, as modified.

THE SENATE

MOTION TO IMPLORE PRESIDENT OF RUSSIA TO ASSIST IN LOCATING RAOUL WALLENBERG— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Di Nino, seconded by the Honourable Senator Meighen:

That the Senate of Canada implore President Vladimir Putin, President of Russia, to use his good office to shed light on the whereabouts of Raoul Wallenberg, the Swedish diplomat who was responsible for saving the lives of thousands of people from the Nazi death camps. Mr. Wallenberg was allegedly seized by the Soviet Army on January 17, 1945 and has not been seen or heard from since.—(*Honourable Senator Stratton*)

Hon. A. Raynell Andreychuk: Honourable senators, I wish to speak in support of this motion. I need not review the history of Raoul Wallenberg. He is well known in Canada for the work he did and the thousands of people he saved. It is time that the new Russian government, which took over the files and records of the Soviet Union, permit those records to be released to all people so that we can find out what happened to the thousands of people who were transported to the Soviet Union.

During the course of the war and immediately thereafter, millions of people were displaced. Many of them were moved to the Soviet Union, never to be known of again. It is important that someone who served so well during the war be acknowledged by the Russian government of this day and that it make every effort to learn what happened to Mr. Wallenberg. Doing this could set a precedent to allow thousands of other families to find out what happened to their relatives. The emphasis is not how they served, but the right of families to know should be acknowledged by the Russian government.

The Russian government has indicated that it wishes to be transparent in order to be part of the modern community. I believe that the only way it can do so is to immediately begin to comply with all the requests that have been made about what happened under the Soviet regime.

This motion is timely and I wish to support it.

Hon. Anne C. Cools: Would Senator Andreychuk accept a question?

Senator Andreychuk: Yes.

Senator Cools: I believe that Raoul Wallenberg is an honorary citizen of Canada.

• (1550)

Senator Di Nino is the progenitor of this motion. I am not sure that the Senate of Canada has a way to speak to the President of Russia, as it seems to me that sovereigns speak to sovereigns, in protocol. Perhaps, since Mr. Wallenberg is already a citizen of Canada, the Foreign Affairs Minister might have an interest in advancing the issue himself directly, which would relieve us of being put in the unusual position of imploring. The motion reads:

That the Senate of Canada implores President Vladimir Putin, President of Russia, to use his good office to shed light...

We should really pay attention to these motions. The Senate of Canada cannot be properly in the position of being a supplicant to a head of state of another country. However, because Raoul Wallenberg has already been made an honorary citizen of Canada — I believe a motion went through this particular house to that effect — the motion would be better scripted and would be a lot more full-bodied if we made our appeal to the Minister of Foreign Affairs and to our sovereigns to have the dialogue with Mr. Putin, the President of Russia, because we have no way of dialoguing with the president of a foreign state.

Senator Andreychuk: I am sure the honourable senator took the opportunity through me to speak to Senator Di Nino. I did

not want to make a full speech, which I think this topic deserves. However, because of the time limits, I simply wanted to support the content and the intent. I leave it to the movers to determine whether Senator Cools' point has validity and whether they wish to do anything about it.

The Hon. the Speaker: It was a question to Senator Andreychuk.

Senator Di Nino: I was going to speak.

The Hon. the Speaker: If Senator Di Nino speaks —

Senator Cools: That is not quite in order.

Senator Stratton: Why is it not?

Senator Cools: An important procedural parliamentary point has been placed before the chamber that must be disposed of, unless Senator Stratton wants to dispose of it.

The Hon. the Speaker: If a point of order is to be raised, the chair will hear a point of order. If no point of order is to be raised, Senator Di Nino has sought the floor. If he takes the floor, it is my duty to advise the house that should he speak, it will have the effect of closing the debate.

Senator Cools: The time is coming to a close. On Wednesdays we like to close this place down around four o'clock. Perhaps I should take the adjournment and then therein propose an amendment myself, when I have had time to give it more attention. I keep adding to my workload.

On motion of Senator Cools, debate adjourned.

AGRICULTURE AND FORESTRY

COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

Leave having been given to revert to Notices of Motions:

Hon. Joyce Fairbairn: Honourable senators, with leave of the Senate, I move:

That, notwithstanding the usual practices of the Senate, the Standing Senate Committee on Agriculture and Forestry be authorized to sit on Monday, June 12, 2006, at 4:30 p.m. for the purpose of hearing the Minister of Agriculture, Chuck Strahl.

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

Hon. Terry Stratton: Honourable senators, I do not like to do this but I will do it anyway.

As is our practice in this chamber when we have motions such as these, for committees to meet out of their normal time slots, I have made a point of saying that our side agrees a minister is present, and in this case there is. The good senator was not here last week at the time that I spoke to this issue. I believe Senator

Peterson put forward the motion to have the meeting at five o'clock, even though the Senate may be sitting. That was an exception to the rule as well.

I said at that time that we were doing this now for the second week in a row. I agreed in the circumstance because of the presence of the minister at your next meeting. Then I asked the question: Will there be a third occurrence next week? Lo and behold, we now have a third occurrence. My question is obvious: Will there be a fourth occurrence? Is this an ongoing, weekly exception with which we will live?

Senator Fairbairn: Honourable senators, I understand Senator Stratton's frustration. I am assured by Senator Tkachuk that there will not be a fourth request next week.

• (1600)

As all senators know, this is a new government, and there are several big issues surrounding agriculture and forestry. As the opportunity has arisen to have the new ministers come and talk to our committee, it is not something one lightly turns aside.

I am very grateful to Senator Stratton and all senators for permitting this to take place because it is the one time we have available to speak to the Minister of Agriculture and Agri-Food. Thank you on behalf of all committee members.

Hon. Gerald J. Comeau (Deputy Leader of the Government): Do I understand correctly that the honourable senator requested a Monday afternoon for this committee as opposed to the regular time slot of Tuesday? If so, has this request been discussed with the members of the committee on the government side?

Senator Fairbairn: Yes, this has been discussed with the entire committee. The reason for choosing Monday is that is the only time the minister is available to meet with us. His office has been very generous in finding that opportunity.

The Hon. the Speaker: Are there any further questions or comments on this motion? Are honourable senators ready for the question?

Hon. Senators: Question!

Motion agreed to.

STATUTES REPEAL BILL

LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE
AUTHORIZED TO RECEIVE DOCUMENTS
AND EVIDENCE ON STUDY OF BILL S-5
IN THE THIRTY-EIGHTH PARLIAMENT

Hon. Tommy Banks, pursuant to notice of June 6, 2006, moved:

That the papers and evidence received and taken on Bill S-5, An Act to repeal legislation that has not come into force within ten years of receiving royal assent, by the Standing Senate Committee on Legal and Constitutional Affairs during the First Session of the Thirty-eighth Parliament be referred to the Standing Senate Committee on Legal and Constitutional Affairs for its study on Bill S-202, An Act to repeal legislation that has not come into force within ten years of receiving royal assent.

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

Motion agreed to.

The Senate adjourned until Thursday, June 8, 2006, at 1:30 p.m.

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