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(HANSARD)

Thursday, June 22, 2006

THE HONOURABLE NOËL A. KINSELLA
SPEAKER

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THE SENATE

Thursday, June 22, 2006

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

Prayers.

SENATORS' STATEMENTS

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, before calling upon Senator Watt, it is my understanding that he may deliver part of his statement in Inuktitut. Is leave granted that Senator Watt be permitted to use Inuktitut during his statement?

Hon. Senators: Agreed.

Hon. Charlie Watt: First, I have to ask leave of the Senate that translation of my remarks in Inuktitut be printed in the *Debates of the Senate* in both official languages.

Hon. Senators: Agreed.

ABORIGINAL DAY

Hon. Charlie Watt: Honourable senators, as much as I would have liked to speak on National Aboriginal Day, which is a very important day for our people, the time did not permit me.

Let me say a few words in Inuktitut. An English translation will be provided to honourable senators.

[*Editor's Note: Senator Watt continued in Inuktitut — Translation follows.*]

Yesterday, we celebrated the tenth anniversary of National Aboriginal Day. This special day pays tribute to the heritage and cultures of Canada's Inuit, Indians and the Metis who welcomed the newcomers at the beginning of time, your time, not our time.

We have a lot of unfinished business to deal with together. One example that I would like to highlight is a matter that I consider an urgent issue. We, Nunavik people, are the biggest taxpayers in this country. As you know, the high cost of living fluctuates and at times, when the oil and gas price goes up, everything else goes up. At least you have the luxury of enjoying when the price goes downwards. We do not have that same luxury; in the North, it does not go downwards. The high cost of living continues to go upwards. If you compare the purchasing power of a dollar between the North and the South, the gap is so wide. We are also compounded with problems such as the high cost of living and the high cost of transportation, taxes over taxes, just to name a few.

In some cases, three to four families are living in the same household and it creates a health, social and economic problem, as I am sure you can appreciate. Access to clean drinking water is getting worse every year. Due to the continuing escalation of costs in the North, most of the people are unable to purchase hunting equipment that would normally bring basic food to the household.

Honourable senators, I need your attention and your help to assist me in acting on the urgency of this issue. Therefore, when we come back in the fall, I would like to put forward a temporary emergency measures instrument to have tax-free status in Nunavik, which is in Quebec, north of the 55th parallel, until the problem is resolved. My office is now looking into the implications to tax law at both federal and Quebec levels.

I am counting on honourable senators.

• (1340)

Hon. Senators: Hear, hear.

[*Translation*]

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, Senator Watt made his statement in Inuktitut, a language very few of us know.

Permission was requested and obtained to allow the honourable senator to make his statement in his first language and for translation to be provided in both official languages.

We must be careful when consenting to this type of request because we are not currently able to offer interpretation into both official languages. We will have to read his statement in the official report tomorrow.

With all due respect to my friend, this is a departure from practice; it is an innovation in the Senate and we will have to study the matter and look at ways to make it possible.

A motion is on the Order Paper to study the question of recognizing a language other than the two official languages. At that time, we can look at whether there is a way to meet this need for languages other than the two official languages.

Honourable senators, I wish to emphasize that we must be careful in this chamber because we have two official languages, and we will have to discuss a suitable approach and find a long-term solution.

[*English*]

SUDAN

VIOLENCE IN DARFUR

Hon. Roméo Antonius Dallaire: Honourable senators, when the United Nations was founded, great trouble was taken to protect state sovereignty. A notable exception — echoed in the Responsibility to Protect concept created by Canada and accepted by the United Nations General Assembly last

September — was the 1948 genocide convention, which allowed any signatory to call upon the United Nations to take appropriate action to prevent and suppress acts of genocide.

Still, the international community failed Cambodia in the 1970s, we failed Rwanda in 1994, and for three years we have repeatedly failed the people of Darfur. Since the Darfur Peace Agreement was signed in May, there has been no respite to the violence in Darfur. Now that the rainy season is close at hand and access becomes totally impossible in that land, all forms of transport will be immobilized and the people will enter another period of famine.

I am not arguing that the situation in Darfur can or should be labelled genocide necessarily. However, some might say that the 2 million people slaughtered by the Khmer Rouge were not victims of genocide since most belonged to the same national, political, ethnic or religious group as the perpetrators. How productive would this be? Leave labels to the courts. We need action now and not words, for as we remain crippled by words, we have allowed over 180,000 Darfurians to die over this three-year period. That number is equal to the population of Regina.

• (1345)

This is why UN Secretary-General Kofi Annan, by mandate of the Security Council, appointed a Special Adviser on the Prevention of Genocide. He appointed the adviser to incite action, not argue semantics. I am proud to say I have been asked to serve on the Advisory Committee on Genocide Prevention established to assist the special adviser. I am honoured to say I will serve alongside people such as Garth Evans, the former Minister of Foreign Affairs from Australia who authored for us the responsibility to protect concept, and Archbishop Desmond Tutu. Supported by Dr. Frank Chalk at Concordia University's Montreal Institute for Genocide and Human Rights Studies, I humbly hope to contribute an impact to the warding off of genocide by early prevention.

Having said that, our first meeting last week has convinced me that every member is not content to be just another talking head. We are there to move the yardsticks at the UN, and move them we will. However, this is only part of the picture. The UN is only as effective as the will of its members allows it to be. Leadership and initiative from member states is crucial, and as a senator I call on Canada to fill that void of leadership as a leading middle power in the world. With regard to Darfur in particular, the time is now to act. The longer we wait, the greater the failure.

MAYANN E. FRANCIS

CONGRATULATIONS ON APPOINTMENT AS LIEUTENANT GOVERNOR OF NOVA SCOTIA

Hon. Donald H. Oliver: Honourable senators, I rise today with wonderful news. I am pleased to draw your attention to an announcement made two days ago from the Office of the Prime Minister, Stephen Harper, that Mayann E. Francis, from Whitney Pier Cape Breton, has been appointed Lieutenant Governor of the province of Nova Scotia.

Until her appointment, she was the Chief Executive Officer of the Nova Scotia Human Rights Commission, and I have had the honour to work with her over many years in fields of human rights, diversity, equality and fairness for all citizens of Nova Scotia.

Honourable senators, Mayann Francis is a Black woman from Cape Breton. She is an exceptional Canadian. She has served as the Ombudsman for the Province of Nova Scotia; has been a senior level public servant in the Province of Ontario and Nova Scotia; a newspaper columnist; a social activist and a public speaker. Ms. Francis holds a Bachelor of Arts degree from St. Mary's University in Halifax, and a Master of Public Administration from New York University, where she specialized in personal and labour relations. Honourable senators, I am also proud to say that Ms. Francis recently earned a certificate in theological studies from the Atlantic School of Theology.

The Prime Minister's press release said:

> Ms. Francis has been active for years in fostering greater tolerance and recognition of the benefits of diversity in our communities.

Honourable senators, I compare the significance of this appointment to that of Lincoln Alexander, the first Black man in Canadian history to become a cabinet minister, in 1979; and, later, who became the Queen's representative in Canada's largest province as Lieutenant Governor of Ontario. Mr. Alexander is one of Canada's most distinguished elder statesmen.

The Mayann Francis appointment is recognition of the profound commitment Prime Minister Stephen Harper has in making the business case for diversity a reality for all Canadians. This appointment underlines Stephen Harper's strong commitment to equalizing issues of gender and ethnicity in Canada.

Honourable senators, I congratulate Mayann Francis as Her Majesty's representative in Nova Scotia, and I congratulate Prime Minister Harper in choosing so wisely. I trust there will be many more.

Hon. Senators: Hear, hear!

ROUTINE PROCEEDINGS

FOREIGN AFFAIRS

BUDGET, ENGAGE SERVICES AND TRAVEL— STUDY ON MATTERS RELATING TO AFRICA— REPORT OF COMMITTEE PRESENTED

Hon. Hugh Segal, Chair of the Standing Senate Committee on Foreign Affairs, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Foreign Affairs has the honour to present its

SECOND REPORT

Your Committee, which was authorized by the Senate on May 9, 2006 be authorized to examine and report on the development and security challenges facing Africa; the response of the international community to enhance that continent's development and political stability; Canadian foreign policy as it relates to Africa; respectfully requests that it be empowered to engage the services of such counsel and technical, clerical and other personnel as may be necessary for the purpose of its study, and to travel outside Canada for the purposes of such study.

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

Respectfully submitted,

HUGH SEGAL
Chair

(*For text of budget, see today's* Journals of the Senate, *Appendix A, p. 276.*)

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

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

• (1350)

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

BUDGET AND ENGAGE SERVICES— STUDY ON STATE OF HEALTH CARE SYSTEM— REPORT OF COMMITTEE PRESENTED

Hon. Wilbert J. Keon, Deputy Chair of the Standing Senate Committee on Social Affairs, Science and Technology, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

FIFTH REPORT

Your Committee was authorized by the Senate on Tuesday, April 25, 2006 to examine and report on issues arising from, and developments since, the tabling of its final report on the state of the health care system in Canada in October 2002, and in particular was authorized to examine issues concerning mental health and mental illness, respectfully requests that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary for the purpose of such study.

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

Respectfully submitted,

WILBERT JOSEPH KEON
Deputy Chair

(*For text of budget, see today's* Journals of the Senate, *Appendix B, p. 282.*)

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

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

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

BUDGET AND ENGAGE SERVICES—STUDY ON CANADIAN ENVIRONMENTAL PROTECTION ACT—REPORT OF COMMITTEE PRESENTED

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

Thursday, June 22, 2006

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

SECOND REPORT

Your Committee, which was authorized by the Senate on Thursday, April 27, 2006, to undertake a review and report on the Canadian Environmental Protection Act (1999, c. 33) pursuant to Section 343(1) of the said Act, respectfully requests that it be empowered to engage the services of such counsel and technical, clerical and other personnel as may be necessary, for the purpose of such study.

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

Respectfully submitted,

TOMMY BANKS
Chair

(*For text of budget, see today's* Journals of the Senate, *Appendix C, p. 288.*)

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

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

NATIONAL SECURITY AND DEFENCE

BUDGET, ENGAGE SERVICES AND TRAVEL— STUDY ON NATIONAL SECURITY POLICY— REPORT OF COMMITTEE PRESENTED

Hon. Colin Kenny, Chair of the Standing Senate Committee on National Security and Defence, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on National Security and Defence has the honour to present its

THIRD REPORT

Your Committee, which was authorized by the Senate on Thursday, April 27, 2006, to examine and report on the national security policy for Canada, respectfully requests that it be empowered to engage the services of such counsel and technical, clerical and other personnel as may be necessary, and to adjourn from place to place within Canada and to travel inside and outside Canada, for the purpose of such study.

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

Respectfully submitted,

COLIN KENNY
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix D, p. 294.*)

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

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

• (1355)

STUDY ON ISSUES RELATING TO NEW AND EVOLVING POLICY FRAMEWORK FOR MANAGING FISHERIES AND OCEANS

INTERIM REPORT OF FISHERIES AND OCEANS COMMITTEE TABLED

Hon. Bill Rompkey: Honourable senators, I have the honour to table, in both official languages, the second (interim) report of the Standing Senate Committee on Fisheries and Oceans entitled: *The Atlantic Snow Crab Fishery*.

[*Translation*]

TRANSPORT AND COMMUNICATIONS

BUDGET AND ENGAGE SERVICES—STUDY ON CURRENT STATE OF MEDIA INDUSTRIES

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

Thursday, June 22, 2006

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

THIRD REPORT

Your Committee, which was authorized by the Senate on Thursday, April 27, 2006, to examine and report on the Canadian news media, respectfully requests that it be empowered to engage the services of such counsel and technical, clerical and other personnel as may be necessary, for the purpose of its study.

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

Respectfully submitted,

LISE BACON
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix E, p. 308.*)

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

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

FOREIGN AFFAIRS

BUDGET, ENGAGE SERVICES AND TRAVEL— STUDY ON ISSUES RELATED TO FOREIGN RELATIONS—REPORT OF COMMITTEE PRESENTED

Hon. Hugh Segal, Chair of the Standing Senate Committee on Foreign Affairs, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Foreign Affairs has the honour to present its

THIRD REPORT

Your Committee, which was authorized by the Senate on Tuesday, May 9, 2006, to examine such issues as may arise from time to time relating to foreign relations generally, respectfully requests that it be empowered to engage

the services of such counsel and technical, clerical and other personnel as may be necessary for the purpose of its study, and to travel within and outside Canada for the purposes of such study.

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

Respectfully submitted,

HUGH SEGAL
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix F, p. 314.*)

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

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

• (1400)

[*English*]

FISHERIES AND OCEANS

BUDGET, ENGAGE SERVICES AND TRAVEL—STUDY ON ISSUES RELATING TO NEW AND EVOLVING POLICY FRAMEWORK FOR MANAGING FISHERIES AND OCEANS—REPORT OF COMMITTEE PRESENTED

Hon. Bill Rompkey, Chair of the Standing Senate Committee on Fisheries and Oceans, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Fisheries and Oceans has the honour to present its

THIRD REPORT

Your Committee, which was authorized by the Senate on Tuesday, May 16, 2006 to examine and report on issues relating to the federal government's new and evolving policy framework for managing Canada's fisheries and oceans, respectfully requests that it be empowered to engage the services of such counsel and technical, clerical and other personnel as may be necessary, and to travel and adjourn from place to place within Canada, for the purpose of such study.

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

Respectfully submitted,

WILLIAM ROMPKEY
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix G, p. 320.*)

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

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

[*Translation*]

TRANSPORT AND COMMUNICATIONS

BUDGET, ENGAGE SERVICES AND TRAVEL— STUDY ON CONTAINERIZED FREIGHT TRAFFIC— REPORT OF COMMITTEE PRESENTED

Hon. Lise Bacon, Chair of the Standing Committee on Transport and Communications, presented the following report:

Thursday, June 22, 2006

The Senate Standing Committee on Transport and Communications is pleased to present its

FOURTH REPORT

Your Committee, which was authorized by the Senate on Thursday, May 11, 2006, to examine and report on containerized freight traffic handled by Canada's ports, respectfully requests that it be empowered to engage the services of such counsel and technical, clerical and other personnel as may be necessary, and to adjourn from place to place within Canada for the purposes of its study.

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

Respectfully submitted,

LISE BACON
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix H, page 328.*)

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

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

[*English*]

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

FIFTH REPORT OF COMMITTEE PRESENTED

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

Thursday, June 22, 2006

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

FIFTH REPORT

Your Committee recommends that the following funds be released for fiscal year 2006-2007.

Aboriginal Peoples (Legislation)

Professional and Other Services	$ 7,800
Transport and Communications	$ 0
Other Expenditures	$ 1,000
Total	**$ 8,800**

Agriculture and Forestry (Legislation)

Professional and Other Services	$ 10,000
Transport and Communications	$ 1,000
Other Expenditures	$ 1,000
Total	**$ 12,000**

Banking, Trade and Commerce (Legislation)

Professional and Other Services	$ 22,000
Transport and Communications	$ 0
Other Expenditures	$ 8,000
Total	**$ 30,000**

Energy, the Environment and Natural Resources (Legislation)

Professional and Other Services	$ 8,000
Transport and Communications	$ 0
Other Expenditures	$ 2,000
Total	**$ 10,000**

Legal and Constitutional Affairs (Legislation)

Professional and Other Services	$ 42,500
Transportation and Communications	$ 27,610
Other Expenditures	$ 4,000
Total	**$ 74,110**

Rules, Procedure and the Rights of Parliament

Professional and Other Services	$ 18,375
Transportation and Communications	$ 0
Other Expenditures	$ 0
Total	**$ 18,375**

Scrutiny of Regulations (Joint Committee)

Professional and Other Services	$ 1,200
Transportation and Communications	$ 1,650
Other Expenditures	$ 2,640
Total	**$ 5,490**

Social Affairs, Science and Technology (Legislation)

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

Transport and Communications (Legislation)

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

GEORGE J. FUREY
Chair

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

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

• (1405)

BANKING, TRADE AND COMMERCE

BUDGET AND ENGAGE SERVICES—STUDY ON CONSUMER ISSUES ARISING IN FINANCIAL SERVICES SECTOR—REPORT OF COMMITTEE PRESENTED

Hon. Jerahmiel S. Grafstein, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Banking Trade and Commerce has the honour to present its

FOURTH REPORT

Your Committee which was authorized by the Senate on Tuesday, May 2, 2006, to examine and report on consumer issues arising in the financial services sector, respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary.

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

Respectfully submitted,

JERAHMIEL S. GRAFSTEIN
Chair

(*For text of budget, see today's* Journals of the Senate, *Appendix I, p. 336.*)

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

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

BUDGET AND ENGAGE SERVICES—
STUDY ON ISSUES DEALING WITH DEMOGRAPHIC
CHANGE—REPORT OF COMMITTEE PRESENTED

Hon. Jerahmiel S. Grafstein, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Banking Trade and Commerce has the honour to present its

FIFTH REPORT

Your Committee which was authorized by the Senate on Tuesday, May 2, 2006, to examine and report on issues dealing with demographic change that will occur in Canada within the next two decades, respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary.

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

Respectfully submitted,

JERAHMIEL S. GRAFSTEIN
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix J, p. 342.*)

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

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

ABORIGINAL PEOPLES

BUDGET, ENGAGE SERVICES AND TRAVEL—STUDY
ON INVOLVEMENT OF ABORIGINAL COMMUNITIES
AND BUSINESSES IN ECONOMIC DEVELOPMENT
ACTIVITIES—REPORT OF COMMITTEE PRESENTED

Hon. Hugh Segal, for Senator St. Germain, Chair of the Standing Senate Committee on Aboriginal Peoples, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Aboriginal Peoples has the honour to present its

SECOND REPORT

Your Committee, which was authorized by the Senate on Tuesday, May 9, 2006, to examine and report on the involvement of Aboriginal communities and businesses in economic development activities in Canada, respectfully requests the approval of funds for fiscal year ending March 31, 2007, and requests that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary and to adjourn from place to place within Canada for the purpose of its study.

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

Respectfully submitted,

HUGH SEGAL
For Gerry St. Germain, Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix K, p. 348.*)

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

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

BUDGET AND ENGAGE SERVICES—
STUDY ON CONCERNS OF FIRST NATIONS RELATING
TO SPECIFIC CLAIMS PROCESS—
REPORT OF COMMITTEE PRESENTED

Hon. Hugh Segal, for Senator St. Germain, Chair of the Standing Senate Committee on Aboriginal Peoples, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Aboriginal Peoples has the honour to present its

THIRD REPORT

Your Committee, which was authorized by the Senate on Tuesday, May 30, 2006, to examine and report on the general concerns of First Nations in Canada related to the federal Specific Claims process, respectfully requests the approval of funds for fiscal year ending March 31, 2007, and requests that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary for the purpose of its study.

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

Respectfully submitted,

HUGH SEGAL
For Gerry St. Germain, Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix L, p. 358.*)

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

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

• (1410)

BANKING, TRADE AND COMMERCE

BUDGET AND ENGAGE SERVICES— STUDY ON PROCEEDS OF CRIME (MONEY LAUNDERING) AND TERRORIST FINANCING ACT— REPORT OF COMMITTEE PRESENTED

Hon. Jerahmiel S. Grafstein, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Banking Trade and Commerce has the honour to present its

SIXTH REPORT

Your Committee, which was authorized by the Senate on Tuesday, May 16, 2006, to undertake a review of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act,* respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary.

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

Respectfully submitted,

JERAHMIEL S. GRAFSTEIN
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix M, p. 364.*)

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

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

BUDGET AND ENGAGE SERVICES—STUDY ON ISSUES DEALING WITH INTERPROVINCIAL BARRIERS TO TRADE—REPORT OF COMMITTEE PRESENTED

Hon. Jerahmiel S. Grafstein, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Banking Trade and Commerce has the honour to present its

SEVENTH REPORT

Your Committee, which was authorized by the Senate on Tuesday, May 2, 2006, to examine and report on issues dealing with interprovincial barriers to trade, respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary.

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

Respectfully submitted,

JERAHMIEL S. GRAFSTEIN
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix N, p. 370.*)

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

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

HUMAN RIGHTS

BUDGET AND ENGAGE SERVICES—STUDY ON LEGAL ISSUES AFFECTING ON-RESERVE MATRIMONIAL REAL PROPERTY ON BREAKDOWN OF MARRIAGE OR COMMON LAW RELATIONSHIP— REPORT OF COMMITTEE PRESENTED

Hon. A. Raynell Andreychuk, Chair of the Standing Senate Committee on Human Rights, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Human Rights has the honour to present its

THIRD REPORT

Your Committee, which was authorized by the Senate on Thursday, April 27, 2006, to invite the Minister of Indian and Northern Affairs Canada to appear with his officials before the Committee for the purpose of updating the members of the Committee on actions taken concerning the recommendations contained in the Committee's report entitled *A Hard Bed to lie in: Matrimonial Real Property on Reserve*, tabled in the Senate November 4, 2003, respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary.

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

Respectfully submitted,

A. RAYNELL ANDREYCHUK
Chair

(*For text of budget, see today's* Journals of the Senate, *Appendix O, p. 376.*)

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

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

● (1415)

BUDGET AND ENGAGE SERVICES—STUDY ON ISSUES RELATED TO NATIONAL AND INTERNATIONAL HUMAN RIGHTS OBLIGATIONS—REPORT OF COMMITTEE PRESENTED

Hon. A. Raynell Andreychuk, Chair of the Standing Senate Committee on Human Rights, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Human Rights has the honour to present its

FOURTH REPORT

Your Committee, which was authorized by the Senate on Thursday, April 27, 2006, to examine and monitor issues relating to human rights and, *inter alia*, to review the machinery of government dealing with Canada's international and national human rights obligations, respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary.

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

Respectfully submitted,

A. RAYNELL ANDREYCHUK
Chair

(*For text of budget, see today's* Journals of the Senate, *Appendix P, p. 382.*)

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

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

BANKING, TRADE AND COMMERCE

BUDGET, ENGAGE SERVICES AND TRAVEL—STUDY ON PRESENT STATE OF DOMESTIC AND INTERNATIONAL FINANCIAL SYSTEM—REPORT OF COMMITTEE PRESENTED

Hon. Jerahmiel S. Grafstein, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Banking Trade and Commerce has the honour to present its

EIGHTH REPORT

Your Committee which was authorized by the Senate on Tuesday, May 2, 2006, to examine and report upon the present state of the domestic and international financial system, respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary and that it be empowered to travel within and outside of Canada.

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

Respectfully submitted,

JERAHMIEL S. GRAFSTEIN
Chair

(*For text of budget, see today's* Journals of the Senate, *Appendix Q, p. 388.*)

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

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

HUMAN RIGHTS

BUDGET AND ENGAGE SERVICES—STUDY ON CASES OF ALLEGED DISCRIMINATION IN HIRING AND PROMOTION PRACTICES AND EMPLOYMENT EQUITY FOR MINORITY GROUPS IN FEDERAL PUBLIC SERVICE—REPORT OF COMMITTEE PRESENTED

Hon. A. Raynell Andreychuk, Chair of the Standing Senate Committee on Human Rights, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Human Rights has the honour to present its

FIFTH REPORT

Your Committee, which was authorized by the Senate on Thursday, April 27, 2006, to examine cases of alleged discrimination in the hiring and promotion practices of the Federal Public Service and to study the extent to which targets to achieve employment equity for minority groups are being met, respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary.

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

Respectfully submitted,

A. RAYNELL ANDREYCHUK
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix R, p. 396.*)

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

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

• (1420)

BUDGET, ENGAGE SERVICES AND TRAVEL—
STUDY ON INTERNATIONAL OBLIGATIONS
REGARDING CHILDREN'S RIGHTS AND FREEDOMS—
REPORT OF COMMITTEE PRESENTED

Hon. A. Raynell Andreychuk, Chair of the Standing Senate Committee on Human Rights, presented the following report:

Thursday, June 22, 2006

The Standing Senate Committee on Human Rights has the honour to present its

SECOND REPORT

Your Committee, which was authorized by the Senate on Thursday, April 27, 2006, to examine and report upon Canada's international obligations in regard to the rights and freedoms of children, respectfully requests for the purpose of this study that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary and to adjourn from place to place within Canada for the purpose of its study.

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

Respectfully submitted,

A. RAYNELL ANDREYCHUK
Chair

(*For text of budget, see today's* Journals of the Senate*, Appendix S, p. 402.*)

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

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

FEDERAL ACCOUNTABILITY BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-2, providing for conflict of interest rules, restrictions on election financing and measures respecting administrative transparency, oversight and accountability.

Bill read first time.

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

An Hon. Senator: Return to sender.

On motion of Senator Comeau, with leave of the Senate and notwithstanding rule 57(1)(f), bill placed on the Orders of the Day for second reading later this day.

• (1425)

[*Translation*]

QUESTION PERIOD

TREASURY BOARD

FEDERAL ACCOUNTABILITY BILL—
AMENDMENT REGARDING LOBBYIST'S RIGHT
TO APPEAL EXEMPTION

Hon. Francis Fox: My question is for the Leader of the Government in the Senate and concerns Bill C-2, as amended by the government. A last-minute amendment to this bill will allow transition team members to seek an exemption in order to act as

lobbyists. Yet just a few hours before the Baird amendment, the Prime Minister said, and I am quoting the article in the *Citizen*:

[*English*]

> My belief is that our lobbying restrictions should be applied to these individuals every bit as much as to any member of this government.

[*Translation*]

In response to a question from the Honourable Senator Munson on June 13 about the amendment known as the "Roscoe amendment," the Honourable Leader of the Government in the Senate said:

[*English*]

> We cannot change the proposed accountability act to accommodate a friend.

[*Translation*]

Can the minister explain why and at whose instigation this sea change occurred at the last minute?

[*English*]

Hon. Marjory LeBreton (Leader of the Government): I thank the Honourable Senator Fox for his question. It was a technical change only to allow the members of the transition committee the same course of action afforded others who have worked for the government to appeal their cases to the commissioner of lobbyists. The change was simply to bring the act into line with what was provided for all others. This affords the members of the transition team the right to appeal the decision of the government to the commissioner of lobbyists.

[*Translation*]

Senator Fox: The Leader of the Government in the Senate is no doubt aware that this sort of act of contrition or eleventh-hour confession fuels cynicism about politics in general, to such a degree that some newspapers gave their stories today headlines such as:

> Accountability Act Lets Tory Friends Seek Exemptions

This leaves the impression — certainly mistaken — that only Conservative cronies can successfully move amendments.

Can the minister assure us that when Bill C-2 is reviewed, her government will give serious consideration, in good faith, to any amendments proposed by Liberal, independent or Conservative senators, even if they are not friends of the regime?

[*English*]

Senator LeBreton: Honourable senators, it is only common sense that the right to appeal decisions belongs to everyone. Certainly, if the honourable senator were in such a position, he would want the same right to appeal a government decision with the commissioner of lobbyists. This does not make special provision for anyone. Rather, the technical change simply ensures that everyone has the same right to appeal. It does not mean that people can proceed to lobby pending the potential appeal to the commissioner of lobbyists.

FEDERAL ACCOUNTABILITY BILL— RIGHT OF SENATORS TO INTRODUCE AMENDMENTS

Hon. Francis Fox: I would assume that the analyst's comments are incorrect.

I will broaden my question to the minister. Would the Leader of the Government in the Senate recognize that Parliament is indeed composed of two Houses; that this house has a duty to fulfill both its constitutional and historical mandate to study legislation in depth and to propose amendments in the public interest; and that senators proposing amendments ought not to be treated as rogues, as was done recently by a leading minister of the government?

• (1430)

Hon. Marjory LeBreton (Leader of the Government): I thank the honourable senator for his question. I absolutely respect the right of the Senate and the Standing Senate Committee on Legal and Constitutional Affairs to give this bill thorough study. Honourable senators, even though we on this side became accustomed to being called "rogues" on many occasions, I would never condone anyone calling anyone a "rogue."

HUMAN RESOURCES AND SOCIAL DEVELOPMENT

PROPOSED NATIONAL CHILD CARE PROGRAM

Hon. Marilyn Trenholme Counsell: Honourable senators, regarding my question to the Leader of the Government in the Senate, I would like to say that I am not beating a dead horse. As you can imagine, it concerns child care — "daycare" in the Conservative vocabulary.

Before the question, I would like to remind honourable senators that 65 per cent of Canadians are unhappy with the choices of Canada's new government when it comes to child care. Regarding the 125,000 new spaces, will the government insist on any standards at all for these new child care spaces? Specifically, will this government demand quality, demand standards that reflect early childhood development, or will they be spaces only — without any requirements in order to qualify for these new government grants?

Hon. Marjory LeBreton (Leader of the Government): I thank the honourable senator for the question. I know that the honourable senator is referring to a recent poll conducted for a particular child care advocacy group. It is like: "Bulletin, Bulletin, Bulletin, 80 per cent of Canadians prefer General Motors," which was a survey conducted by ABC for General Motors of Canada. That is the problem with a poll like that, and the way the question was asked and answered.

There is no government — Liberal or Conservative, federal or provincial — that would not insist on standards in regard to a child care system.

Senator Trenholme Counsell: I have a supplementary question for the Leader of the Government in the Senate.

Initially, this new Conservative government said that grants for new child care — or "daycare," in their words — spaces would go to businesses, even to strip malls, according to the minister. I read, and this was good news, that the voluntary sector may be included. Again, it is good news and it is very serious news.

Can the Leader of the Government in the Senate confirm that the non-profit sector will not only be treated fairly in this application process, but furthermore, will a significant percentage — let us say perhaps 50 per cent — be made available to the non-profit sector, a sector that provides much of the best, the highest quality of child care in Canada? I fear that it will not be easy for non-profit organizations to compete with big business.

Senator LeBreton: I thank the honourable senator for her question.

The strip mall reference was simply acknowledging that in some areas in this country, there are no large corporations. It was simply businesses — and I remember the minister using this example, which I thought was entirely reasonable. In a small centre, where there are strip malls where many people work in individual businesses, one store or one space in that strip mall would be used so that all those workers would have a central place for a child care facility.

I am mystified as to why the honourable senator thought our child care programs would not encompass the voluntary sector. In all of the material that I have read and, indeed as I travelled around the country in the election campaign, I never once saw a reference that the voluntary sector would be left out.

Senator Trenholme Counsell: I have a second supplementary for the Leader of the Government in the Senate.

I do not think it was ever said, "we are going to leave them out," but in all the original statements it said "to businesses." Of course, I did not read every one, and if I have missed some of those original statements, I am sorry. It seems to me that lately it has been said that the non-profit sector will be included, and that is good news.

• (1435)

Senator LeBreton: Honourable senators, the fact that people assume that we will work only with business does not mean automatically that all others will be left out. Unfortunately, people will focus on only one aspect of it. As I said earlier, and as the honourable senator has acknowledged, never once did I say anything that would indicate that voluntary groups would be left out.

INTERNATIONAL TRADE

PROPOSED SOFTWOOD LUMBER AGREEMENT

Hon. Pierrette Ringuette: Honourable senators, my question is for the Leader of the Government in the Senate.

As foreseen and argued by many of us on the opposition side in the Senate, the framework agreement — not signed, by the way — with the U.S. for the softwood industry is coming apart at the seams because of an irresponsible, self-promoting Canadian Prime Minister who wants to please the American President on any issue that he can. The Prime Minister is doing this to the detriment of Canadians, our economy and sovereignty.

Tuesday, the forest industry sent a letter to the government asking that it immediately resume the extraordinary challenge to the last NAFTA panel ruling which favoured Canada. Given that the U.S. is still filing challenges, will the government stop its suspension of the ECC and plead, for once, for our Canadian forest industry, our economy and our jobs?

Hon. Marjory LeBreton (Leader of the Government): Honourable senators, I thank the honourable senator for her question. Contrary to what the honourable senator believes, negotiations have not stalled. They are proceeding along very well, and I believe that we will reach a successful conclusion in the not-too-distant future.

Senator Ringuette: Honourable senators, *The Vancouver Sun*, in an article published Tuesday, said it had received a copy of a letter between the Bush administration and the American lumber producers. Honourable senators, in this letter, the U.S. government tells the U.S. industry that the whole purpose of negotiating a softwood deal is to "mitigate to the greatest extent possible" Canadian trade practices.

To what extent will the Prime Minister go to save his political face with George Bush? Will he prefer to save face with President Bush or to meet his prime ministerial responsibility and start to work for Canadians?

Senator LeBreton: I thank the honourable senator for her question.

I think the honourable senator's rhetoric is getting a little ahead of her. As a matter of fact, there are several people from the honourable senator's own region, from Atlantic Canada, who are very positive about the softwood lumber agreement: Diana Blenkhorn, President of the Maritime Lumber Bureau; Mark Arsenault, President and CEO of the New Brunswick Forest Products Commission; Mary Keith, spokesperson for JD Irving Limited.

There is a lot of goodwill on both sides of the border. I believe that the negotiations are progressing quite well. Minister Emerson is the person primarily responsible for this file and I have every confidence that he will be reporting good news in the not-too-distant future.

Senator Ringuette: The Province of New Brunswick is withholding a financial package of $250 million that is desperately needed by the industry because they are afraid that the current negotiations will not allow them to help the New Brunswick industry.

The government leader has told us many times that this issue is behind us. The honourable senator is wrong. Even Minister Emerson is saying this week that a fall agreement is unlikely.

• (1440)

Yesterday, an editorial headline in the *National Post* — which, by the way, I think is one of your favourite newspapers — said: "Harper's softwood lumber deal was naive." When will the Prime Minister realize that the Bush administration is using his political naiveté to manoeuvre the Conservative government in a deal that clearly favours the U.S. lumber industry?

Senator LeBreton: I wish to thank the honourable senator for her question.

Honourable senators, I disagree completely. I am surprised that the honourable senator professes to know so much about me that she knows the name of my favourite newspaper It so happens, however, that the *National Post* is not one of my favourite newspapers. All newspapers are my favourite.

Honourable senators, I can only say what I have said before. People who have responsibilities for these files in government know that they are complex and take some time to work out. There is general support for the agreement within the industry and the provinces. I would simply ask for people not to be jumping to conclusions but to wait until the final agreements are presented to us.

Hon. Terry M. Mercer: Honourable senators, I must ask the Leader of the Government in the Senate for some clarification. I am a little confused.

Several weeks ago, the Leader of the Government in the Senate came in here and the minister in the other place talked about "an agreement on softwood lumber." I then heard the Leader of the Government in the Senate today talking about "negotiations." In a magazine called *FrontLine Security,* David Wilkins, the United States Ambassador to Canada, remarks:

> We've resolved the one issue I think many folks thought we might never resolve: softwood lumber.

The leader in the Senate then talks about "negotiations." Years ago, when I was involved in labour negotiations, we would sit down, we would negotiate and we would come to an agreement. Negotiations would then stop because we had an agreement. Is this the new terminology that Canadians and parliamentarians must get used to hearing, namely, that when the Stephen Harper government reaches "an agreement" it means it is the politically opportune time to say that we have an agreement but we are really still negotiating? Will we negotiate away the farm because we are dealing with our good friend George W. Bush?

Senator LeBreton: Honourable senators, I am surprised. Senator Mercer used to be the National Director of the Liberal Party of Canada. The honourable senator surely knows that there was an agreement between the two governments, but there are details to be worked out and both sides are working on them. This process is underway and it has not stalled. The honourable senator must stop reading headlines and actually try to be patient. I am sure that the softwood lumber agreements that are before us will be finalized, and hopefully in the not-too-distant future, so I can stop answering questions on this matter.

Senator Mercer: Honourable senators, the Leader of the Government in the Senate did use the words "negotiations were ongoing." Negotiations stop when you have an agreement. The honourable senator is now saying that there is not an agreement. That is what I interpret by what is happening now when we have continuing negotiations. I would suggest that the Leader of the Government in the Senate and the minister in the other place have misled Canadians.

Hon. Wilfred P. Moore: Honourable senators, this is a supplementary question to the Leader of the Government in the Senate. It must be tough for the leader to stand there and justify leaving $1.5 billion of Canadian producers money on the table. That must be tough to do.

Honourable senators, I want to know, and I would like to have confirmation, that the Government of Canada is continuing to press forward on all fronts, legally, to protect the ongoing interests of the Canadian producers.

• (1445)

Regardless of the niceties going back and forth between the President and the Prime Minister, I want to know that we are not backing off legally from any position, so that if this agreement collapses, we are where we should have been all along legally.

Senator LeBreton: Honourable senators, I thank Senator Moore for his question. Obviously, this government, as did the government before us, works in the interests of our own lumber industry and producers.

The honourable senator talks about the $1.5 billion. Until these negotiations reached the agreement announced several months ago, $8 billion was left out there floating around.

Senator Moore: No, there was not.

Senator LeBreton: That is the amount that was at stake then.

Senator Austin: Check your numbers. It was $5 billion.

Senator LeBreton: Obviously, any government in its right mind in any country or province would work in the interests of its own industry and producers.

Senator Moore: I want to confirm that the answer is yes, that we are proceeding on all legal fronts and continue to do so. Is that what I hear from the Leader of the Government in the Senate?

Senator LeBreton: That is my understanding.

Hon. Larry W. Campbell: I have a supplementary question. Like the other honourable senator, I do not want to beat a dead horse either.

I would like to continue with the quotation from the U.S. ambassador. He goes on to say:

> We reached an agreement that both countries can be proud of, ending a longstanding dispute. Softwood lumber was a stumbling block that kept us from focusing on more important issues, because the U.S.-Canada relationship is, and has always been, so much bigger than a few isolated, though important, issues.

Ambassador Wilkins is further quoted in *FrontLine Security*:

> 'The resolution of this issue,' he continued, crediting the President and the Prime Minister, 'is living proof that we have the strongest, most peaceful and productive friendship the world has ever known.'

My question is: How long does a resolution go on? We were happy that there would be a conclusion to this, that the B.C. softwood lumber industry could finally get on with life after being held hostage by NAFTA. Yet, here we are. The Minister of International Trade said we might have an agreement by the fall. Where are we on this agreement? The people of British Columbia and those people involved with softwood lumber trade in this country must have an answer. We cannot live without knowing what is going on. No business can take place.

Senator LeBreton: I thank the honourable senator for his question.

Although a resolution obviously was not arrived at this week, the negotiators on both sides of the border, and the people representing the industry and province, are hard at work. The talks have not stalled, as the media have claimed. The situation with regard to this issue is still in a much better place than it was a year ago at this time when there was no resolution, and the only thing we had to look forward to were more challenges, more lawyers' fees and more unresolved issues. I trust Minister Emerson and Ambassador Wilson to advance this issue as quickly as possible. I will be the first one on my feet to tell you about it when it is finalized.

PUBLIC WORKS AND GOVERNMENT SERVICES

FRAMEWORK FOR PROCURING INFORMATION AND COMMUNICATIONS TECHNOLOGY

Hon. Daniel Hays (Leader of the Opposition): Honourable senators, I want to direct my question to the Minister of Public Works and Government Services Canada and return to an issue I touched on earlier in the week, if he is ready to deal with it.

To sum up, the question is one that arises out of concerns spoken to by the President of the Canadian Advanced Technology Alliance, Mr. John Reid, to the effect that after 18 months of private-public sector consultation, Public Works and Government Services Canada has made a decision to use a third-party study on strategic sourcing rather than the product of that consultation process.

The concern of the members of the Canadian Advanced Technology Alliance, of course, is that they believed that the negotiation they were in would produce an agreement. Of course, the purpose of the agreement is to ensure the success of Canada's industrial strategy in the area of communications technology. That agreement is something that would have made a big difference to that industry in Canada. It is an important one.

The question to the minister is: Is that correct? If so, why is it correct? Whose third-party study on strategic sourcing was used in place of the framework that was in the course of being negotiated?

• (1450)

Hon. Michael Fortier (Minister of Public Works and Government Services): Honourable senators, the reply to that question is in the form of a delayed answer to be tabled today, but I am happy to provide the reply now while I am on my feet.

As I suspected, and I believe I mentioned this information two days ago, this consultation was part of a process that the department had undertaken with respect to a number of commodities. Obviously, technology is important because we spend a lot of money in that field.

The department consulted with Canadian Advanced Technology Alliance and a number of other folks, and the department took some of their ideas into consideration.

I would not call this a dispute. The disagreement lies around the establishment of an industrial policy. Public Works and Government Services Canada is not the one-stop shop to establish industrial policy vis-à-vis not just technology but any other industry in Canada. That one-stop shop, in my opinion, should be within Industry Canada. Representatives from Canadian Advanced Technology Alliance were told that.

I would not view this as a defeat. If the Leader of the Opposition is speaking to the representatives from Canadian Advanced Technology Alliance and they have suggestions with respect to the industry per se, those questions should be directed to the Minister of Industry.

Senator Hays: Honourable senators, I have spoken to Mr. Reid indirectly. "Livid" was the word used to describe the disappointing result of what they thought was a negotiating process that would lead to recognition of what the minister has properly described as a strategy to provide enhancements through procurement from Public Works and Government Services Canada for the advanced technology sector.

I take it, according to what the minister says, he believes this issue does not fall within the purview of Public Works and Government Services Canada but rather Industry Canada. Perhaps representatives from Canadian Advanced Technology Alliance are mistaken, and they should be in an ongoing discussion with Industry Canada.

In any event, I am not clear about why it would not cross over between Public Works and Government Services Canada and Industry Canada in terms of what other countries do. I am informed other countries have these strategies. Why would we not do the same? I am interested in knowing the third-party study on strategic sourcing that is being used in place of the one that was being negotiated.

Senator Fortier: First, honourable senators, the good news is that the senior public servants at Public Works and Government Services Canada are actually consulting the industry. That is important. They are trying to implement smarter procurement strategies and take costs out of the system.

Honourable senators may remember that embedded within Mr. Flaherty's budget were considerable savings out of Public Works over the next five years, close to $2.5 billion. That process did not just happen. That process has involved consultations that began long before I arrived. It is not a partisan issue.

When Public Works consults with industries, it is with respect to procurement strategies. I understand there was an agreement with this particular group to consult hundreds of groups across various commodities. There is not a disagreement within this group.

I guess the honourable senator must have been reading from a press release. I am not aware of a third party. Again, this information is contained within a press release. I can have my people dig it up, but I am not aware that a third-party report was used rather than the views of these folks.

These folks were consulted as part of a large-scale consulting process. Public Works took into consideration their views, some of which were embedded in the commodities strategy. However, there was a disagreement about certain industrial macro-strategies. I think perhaps this issue is more appropriate for the Minister of Industry to address.

INDUSTRY

FIRST NATIONS SCHOOLNET PROGRAMS

Hon. Robert W. Peterson: My question is for the Leader of the Government in the Senate.

Honourable senators, as you are aware, computers and Internet access are important tools for creating stimulating learning environments. Many First Nations children must leave their communities at the age of 12 to live and study in urban schools. Recognizing the challenges that First Nations schools may face in accessing and applying these technologies, Industry Canada created the First Nations SchoolNet Program. This national program, delivered by six Aboriginal regional management organizations, provides Internet access, computer equipment and technical support and training, including a regional help desk, to First Nations schools under the jurisdiction of the Government of Canada. The program offers the opportunity for Aboriginal youth to achieve and improve their education, thereby enhancing their quality of life. Industry Canada also works alongside other federal departments, such as Health Canada, in assisting with the delivery of much-needed tele-health services.

• (1455)

Honourable senators, program authority for First Nations SchoolNet initiatives ended March 31 of this year but was extended to September 2006. Given that Aboriginal youth account for a large percentage of our future workforce, what commitment is the government providing to ensure that support continues for this essential program? What commitment is the government providing for the long-term funding to ensure that all Aboriginal peoples, including First Nations, benefit from this technology so that they may live, learn and work in their own communities in this great country?

Hon. Marjory LeBreton (Leader of the Government): I thank the honourable senator for that question. Since this government has come into power, funding for many programs has expired. Some funding was extended until ministers could properly assess their portfolios.

The dealings of Minister Prentice with Aboriginal communities have been very positive and well received. However, I will take that question as notice and ask what the minister's long-term plans are for the specific program referenced by Senator Peterson.

[*Translation*]

DELAYED ANSWER TO ORAL QUESTION

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I have the honour to table a response to questions raised in the Senate on June 20 and 21, 2006, by the Honourable Daniel Hays regarding the framework for procuring information and communications technology.

PUBLIC WORKS AND GOVERNMENT SERVICES

FRAMEWORK FOR PROCURING INFORMATION AND COMMUNICATIONS TECHNOLOGY

(*Response to questions raised by Hon. Daniel Hays on June 20 and 21, 2006*)

> I was asked questions over the last days about the concerns the Canadian Advanced Technology Alliance (CATA) has raised in relation to the Reform of Procurement which my department is undertaking. To put this in perspective, PWGSC is engaged in a very wide ranging set of procurement reforms. The objective is to improve the way we buy billions of dollars of goods and services while at the same time ensuring that competition to become a government supplier is fair, simple and open.
>
> As an integral part of this process, PWGSC officials conducted extensive consultations with a cross-section of industry associations, small business owners and corporations as we move forward with our procurement initiatives to save money and simplify and streamline our processes. We believe that these initiatives will benefit taxpayers and suppliers. In this case, the department met with CATA and other major associations involved in the information and communications technology sector to discuss the way we intend to meet the Information Technology (IT) professional services needs of the government.
>
> These discussions are ongoing and we will be advising the industry of how we will be addressing the specific concerns that they have raised.
>
> The Senator has cited my remarks to the House Committee on Government Operations and Estimates that PWGSC is the "... government's expert in procurement, and we will lead the way in reforming the process to ensure that it is fair, open and transparent". I would like to provide a few examples of results achieved by PWGSC in improving the way that government buys goods and services for its information and communication technology needs.

- In the area of information technology hardware — laptops, computers, printers — we achieved savings of 28 per cent or $18,000 through a request for volume purchase by aggregating the requirements of 25 departments in the fourth quarter of fiscal year 2005-06.

- In the area of network services, we recently achieved savings of $11M or 20 per cent percent through a contract with a firm from Manitoba.

- In the area of telecommunications, we have consolidated cellular telephone packages for 9 departments to achieve savings of 40 per cent. On another front, the rates we achieved for local access services in the National Capital Area by combining the requirements of the government as a single entity are the best in North America.

These examples relate specifically to recent transactions in the information and communication technology sector but we are applying the same concepts to all of the various categories of goods and services we buy.

Closer to the Senator's home, we have just awarded a major contract for electricity in Alberta. We collected the requirements of 11 federal departments and taken innovative approaches. The results were savings of 30 per cent or $30-50M over the 10-year life of the contract. We also made significant progress on green power procurement through this contract.

Not only are we achieving savings, we are reducing the cost to compete for government business. We are streamlining and reducing the categories of services we buy. We have introduced a procurement method for professional services that is accessible to small and regional businesses as well as individuals.

We are also making it easier for government departments to get in touch with suppliers and conduct competitive tenders in a faster and more open way. At the same time, we are introducing a customer satisfaction rating which will be visible. All of these are supported by CATA.

CATA has put forward the proposition that we should introduce a new Industrial Policy towards the IT sector. Clearly, this is not something that is going to be done lightly and it involves a lot more than the procurement process. I would note that where my department has a mandate to support broader government policies such as Small and Medium size enterprise, greening of government operations and aboriginal business opportunities, we remain fully committed to taking the fullest possible advantage of government procurement activities to support these objectives.

All of our procurement activities are fully consistent with the principles outlined in Bill C-2 — a commitment to openness and transparency, ensuring value for money and clear accountabilities. In the coming weeks, I will be taking the next steps to support the principles of C-2 by naming a federal Procurement Auditor and announcing consultations on a Code of Procurement Conduct.

[*English*]

THE SENATE

TRIBUTE TO DEPARTING PAGES

The Hon. the Speaker: Honourable senators, a number of our pages are leaving us and we want to bid them farewell.

Today, I wish to draw to your attention Ms. Hasti Kousha. After two years of service, Hasti, from Montreal, ends her term as a Senate page. Hasti bids farewell to all those who made each day challenging, exciting and a true pleasure. She will be continuing her studies in law in the national program at the University of Ottawa.

Hon. Senators: Hear, hear!

The Hon. the Speaker: It is with most fond memories that Leigh Spanner, from Ottawa, will be leaving the Page Program, a position that has been an honour for her to hold. In the fall, she will be completing a bachelor degree in political science and public administration at the University of Ottawa. She hopes to continue working on Parliament Hill.

Hon. Senators: Hear, hear!

[*Translation*]

POINT OF ORDER

Hon. Eymard G. Corbin: Honourable senators, I rise on a point of order regarding incidents that occurred during Senators' Statements.

It is fresh in your minds that Senator Watt made a statement today in Inuktitut. I tried to listen to the interpretation of his speech in one or the other language of interpretation in the Senate, English or French, and noted that there was sporadic — if I may call it that — interpretation in English only. The French channel was practically silent and I felt an infringement of my right to be able to listen to and understand the discourse of the honourable senators in this chamber in my mother tongue.

Second, I listened carefully to the remarks of the Honourable Senator Comeau, as Deputy Leader of the Government, who spoke after Senator Watt. I feel that the remarks made by Senator Comeau during Senators' Statements do not respect the letter or the spirit of Rule 22(4) of the *Rules of the Senate*, which states:

• (1500)

> ...In making such statements, a Senator shall not anticipate consideration of any Order of the Day and shall be bound by the usual rules governing the propriety of debate. Matters raised during this period shall not be subject to debate.

I submit that Senator Comeau debated Senator Watt's statement. Secondly, he anticipated consideration of a motion standing in my name on the Notice Paper, a motion that he adjourned himself and that he has been holding there for some time. Even if told that two days of sitting have passed since the

motion was introduced, the honourable senators are fully aware that the motion has appeared on the Notice Paper for several weeks. I do not hold Senator Comeau's comments against him. I will not base my argument on the words of Senator Comeau's speech, although I believe he violated the *Rules of the Senate*.

Senator Watt informed me yesterday that, on National Aboriginal Day, he was not permitted to speak during the time reserved for Senators' Statements, because we were paying tribute to our late colleague, Senator Forrestall. It is unfortunate, but such things happen. He spoke today in his mother tongue, an Aboriginal language, Inuktitut. It is not a question of consent of the Senate. My argument hinges on the following, on which I would ask His Honour the Speaker to eventually render a decision.

I recognize that all Aboriginal people in this country have a natural and absolute right to use their Aboriginal language where and when they want, including here in the Senate. It is not for nothing that we appoint representatives of Aboriginal peoples to the Senate. It is to give them an opportunity to bring issues of pressing concern to the attention of the Parliament of Canada, as Senator Watt did today.

I support him in his efforts. I want to tell anyone listening to me that I have not orchestrated a plot here. I feel that this issue is so basic and important that I support him spontaneously. I have always done so, and I will continue to do so.

[*English*]

I am asking His Honour to study, with his usual wisdom, whether Senator Watt today was exercising his ancient and Aboriginal right as a member of the Senate to speak his living language — not a dead language like Greek or Latin and not an acquired language like English or French, but the language with which he can best serve the cause of his people and which has been spoken in Canada well before the arrival of the first Europeans — and whether the Senate must oblige and provide interpretation of Inuktitut in Canada's two official languages.

[*Translation*]

To my view, this is not a constitutional issue, which would allow the Speaker to dodge the real issue. It is a question of natural law that has nothing to do with constitutional law.

Honourable senators, I am not a lawyer, but here we have the issue stated in its most basic terms, and I ask that justice be done to Senator Watt, who does not need the permission of anyone in the Senate to express himself in his Aboriginal language.

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I leave it to the great wisdom of His Honour the Speaker to make a decision as to whether there is a point of order.

[*English*]

The Hon. the Speaker: Would any other honourable senator wish to speak to the point of order at this time?

Senator Comeau: We trust Your Honour's judgment.

The Hon. the Speaker: Honourable senators, I will study the point of order raised by Senator Corbin and render a decision as soon as I can.

THE SENATE

AMENDMENT TO THE CONSTITUTION OF CANADA— WESTERN PROVINCIAL REPRESENTATION

Leave having been given to revert to Notices of Motions:

Hon. Lowell Murray: Honourable senators, I give notice that at the next sitting of the Senate I will move, seconded by the Honourable Senator Austin, that:

> WHEREAS an amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by resolutions of the Senate and House of Commons and of the legislative assemblies of the provinces as provided for in section 38 of the *Constitution Act, 1982*;
>
> AND WHEREAS it is desirable to amend the Constitution of Canada to provide for a better balance of western regional representation in the Senate;
>
> AND WHEREAS it is desirable that the 24 seats in the Senate currently representing the division of the western provinces be distributed among the prairie provinces of Manitoba, Saskatchewan, and Alberta, and that British Columbia be made a separate division represented by 12 senators;
>
> NOW, THEREFORE, the Senate resolves that an amendment to the Constitution of Canada be authorized to be made by proclamation issued by Her Excellency the Governor General under the Great Seal of Canada in accordance with the schedule hereto.

SCHEDULE
AMENDMENT TO THE CONSTITUTION OF CANADA

> **1. Sections 21 and 22 of the *Constitution Act, 1867* are replaced by the following:**
>
> **"21.** The Senate shall, subject to the Provisions of this Act, consist of One hundred and seventeen Members, who shall be styled Senators.
>
> **22.** In relation to the Constitution of the Senate, Canada shall be deemed to consist of Five Divisions:
>
> 1. Ontario;
> 2. Quebec;
> 3. The Maritime Provinces, Nova Scotia and New Brunswick, and Prince Edward Island;
> 4. The Prairie Provinces of Manitoba, Saskatchewan, and Alberta;
> 5. British Columbia;

which Five Divisions shall (subject to the Provisions of this Act) be represented in the Senate as follows: Ontario by Twenty-four Senators; Quebec by Twenty-four Senators; the Maritime Provinces and Prince Edward Island by Twenty-four Senators, Ten thereof representing Nova Scotia, Ten thereof representing New Brunswick, and Four thereof representing Prince Edward Island; the Prairie Provinces by Twenty-four Senators, Seven thereof representing Manitoba, Seven thereof representing Saskatchewan, and Ten thereof representing Alberta; British Columbia by Twelve Senators; Newfoundland and Labrador shall be entitled to be represented in the Senate by Six Senators; Yukon, the Northwest Territories and Nunavut shall be entitled to be represented in the Senate by One Senator each.

In the Case of Quebec, each of the Twenty-four Senators representing that Province shall be appointed for One of the Twenty-four Electoral Divisions of Lower Canada specified in Schedule A. to Chapter One of the Consolidated Statutes of Canada."

2. Sections 26 to 28 of the Act are replaced by the following:

"26. If at any Time on the Recommendation of the Governor General the Queen thinks fit to direct that Five or Ten Members be added to the Senate, the Governor General may by Summons to Five or Ten qualified Persons (as the Case may be), representing equally the Five Divisions of Canada, add to the Senate accordingly.

27. In case of such Addition being at any Time made, the Governor General shall not summon any Person to the Senate, except on a further like Direction by the Queen on the like Recommendation, to represent one of the Five Divisions until such Division is represented by Twenty-four Senators or, in the case of British Columbia, Twelve Senators, and no more.

28. The Number of Senators shall not at any Time exceed One hundred and twenty-seven."

CITATION

3. This Amendment may be cited as the Constitution Amendment, [year of proclamation] (*western provincial representation in the Senate*).

• (1510)

LEGAL AND CONSTITUTIONAL AFFAIRS

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

Leave having been given to revert to Notices of Motions:

Hon. Donald H. Oliver: Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Legal and Constitutional Affairs have power to sit during sittings of the Senate, up to and including Thursday, June twenty-ninth, 2006, and that the application of rule 95(4) be suspended in relation thereto.

[*Translation*]

THE HONOURABLE NOËL A. KINSELLA

NOTICE OF MOTION EXPRESSING CONGRATULATIONS AND CONFIDENCE IN SPEAKER

Leave having been given to revert to Notices of Motions:

Hon. Serge Joyal: Honourable senators, I give notice that, at the next sitting of the Senate, I shall move:

That the Senate congratulates the Honourable Noël Kinsella on his appointment as Speaker and expresses its confidence in him while acknowledging that a Speaker, to be successful and effective in the exercise of the duties of that office, requires the trust and support of a majority of the senators.

[*English*]

IMMIGRATION POLICY

NOTICE OF INQUIRY

Leave having been given to revert to Notices of Inquiries:

Hon. Catherine S. Callbeck: Honourable senators, pursuant to rule 57(2), I give notice that, two days hence:

I will draw the attention of the Senate to the importance of Canadian immigration policy to the economic, social and cultural development of Canada's regions.

Some Hon. Senators: Hear, hear!

An Hon. Senator: Bravo.

[*Translation*]

ORDERS OF THE DAY

BUSINESS OF THE SENATE

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, pursuant to rule 27(1), I give notice that when we proceed to Government Business, the Senate shall consider business in the following order: Bills C-13, C-2, S-4, S-3 and C-5.

[*English*]

BUDGET IMPLEMENTATION BILL

THIRD READING

On the Order:

> Resuming debate on the motion of the Honourable Senator Angus, seconded by the Honourable Senator Cools, for the third reading of Bill C-13, to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

Hon. Jack Austin: Honourable senators, the debate at second reading on this budget bill raised many issues, both pro and con, regarding the merits of this legislation, and we have heard the government side reviewed and repeated by the Honourable Senator Angus. The Honourable Senator Eggleton responded yesterday with comments and criticisms with which I entirely agree.

Honourable senators, it will surprise none in this chamber to hear again of my disappointment with respect to this budget. I spoke of it in detail on May 30 last with respect to the budget provisions which raise income taxes, particularly at the lowest income tax rate. Honourable senators, for that reason, I have introduced Bill S-215 to restore those income tax provisions to the lowest rate in force prior to this budget. I await the response of Honourable Senator Di Nino, which is promised before we adjourn for the summer months.

Honourable senators, I agree with Senator Eggleton that we are appalled at the dismissal by the government of the child care package negotiated with and agreed to by the provinces and territories, and greatly to the advantage of the youngest Canadians. What the Conservative government has put in its place is a small transfer payment, taxable no less, without any criteria for its use.

Honourable senators, I know there is no purpose in repeating the arguments and sound policy suggestions made by Senator Eggleton and others on this side. The government has shown itself to be totally deaf and dumb when it comes to honouring the obligations of the federal government made in the Kelowna accord, made in the Kyoto agreement and many other previous commitments to provinces, territories and to Canadians in general.

The Conservative "not-made-here" attitude is politically blatant and irresponsible. The time will come when they will have to account for why they have put political cosmetics in the place of the best interests of Canadians.

Some here and elsewhere have argued that the Senate ought not to interfere with the budget of a government which has been passed by the House of Commons. Funny about that — this chamber in the Thirty-eighth Parliament did exactly that with senators opposite voting as a block. How quickly they would like us to forget.

Honourable senators, it is the right of this chamber to amend, revise or even deny a government its budget so long as it does not seek to do so by raising taxes or other revenues, as the Speaker has ruled. Whether it is politically wise to do so is always the question. I can foresee times when it may not be politically wise, but in the interests of Canadians and, therefore, the responsibility of the Senate so to act. Honourable senators, today, this is a budget which one observer described as "lipstick on a pig." It is nothing but self-serving political cosmetics.

This Harper Conservative government inherited the best performing economy in Canada's history. Much credit is due first to the Canadian people for their steadfast support in recovering the Canadian economy from the mismanagement of the Mulroney years.

Senator LeBreton: Thank goodness after all those years, you learned.

Senator Austin: Second, credit is due to the leadership of Jean Chrétien and Paul Martin. For this budget, the Harper government inherited a surplus of more than $11 billion. Finally, the funds were available to allow a government to address the chronic issue of child poverty, the necessity of advancing education and research and of a productivity agenda, coupled with a major thrust in international trade, which is where we earn our living. Instead they opted for "not made here politics" and cosmetic responses.

As honourable senators are now clear about where I stand on this budget bill, I want to say a few words about the economic context in which Canada now finds itself. To say the obvious, our best customer, the United States, is moving into a changing economic environment. The Chair of the U.S. Federal Reserve, Ben Bernanke, has made it clear he is worried about inflation risks, but at the same time also about a too rapid slowdown in the consumer-driven U.S. economy. He referred recently, in a speech to the American Bankers Association, to the challenges of dealing with core inflation, which is in the upper range of his inflation tolerance threshold. He acknowledged that these are unwelcome developments. The chief investment officer at Harris Bank remarked on the ingredients for a "classic growth slowdown."

The senior economist at Wells Fargo Bank said:

> "The Fed's basically stuck where they've got a choice of which fire they want to fight, and right now they're going to fight inflation, rather than spur growth." said Scott Anderson, a senior economist at Wells Fargo in Minneapolis.

Some comments at that same meeting raised the spectre of the 1970s era of stagflation — that is inflation coupled with no or very slow growth.

BCA Research of Montreal, one of the most respected economic analysts, reported that consumer spending and the housing sectors have represented 75 per cent of the U.S. GDP and the weakening of those two sections would severely damage U.S. economic growth. U.S. consumers are now experiencing high energy costs, rising interest rates and the stalling of wealth gains from the once hot housing market.

Of real interest to the economic community is the recent appearance of an inverted yield curve, which basically means a situation where short-term bonds yield more than long-term bonds. Usually, when an inverted yield curve happens, the U.S. economy has moved into a recessionary trend shortly thereafter. As the U.S. economy is the primary motor for the global economy, and especially for the Canadian economy, there is much to be cautious about.

• (1520)

Everyone is familiar with the substantial debt burden carried by the United States, which is by far the world's greatest debtor nation with escalating deficits every year to add to that debt. The Democrats under President Bill Clinton ran an economy in surplus with a debt reduction program. Under President George W. Bush, we have seen the largest peacetime increases in U.S. debt which now exceeds $8.3 trillion U.S. According to the Congressional Budget office, at the current rate, the U.S. deficit will reach $12.8 trillion by 2015 or double the amount when President Bush took office.

What has permitted the United States to manage this debt has been the vendor financing by Asian, European and Canadian institutions to permit the U.S. consumer-led economy to purchase their goods and services. Chinese and Japanese purchasers of U.S. bonds have been particularly active, as have Middle East oil producers. More than half of the U.S. federal debt is held by foreigners compared to 17 per cent of Canadian debt.

The obvious concern of Canadian and other investors in the U.S. economy is that this debt will be repaid by a U.S. dollar depreciation. No doubt this has its attractions to U.S. fiscal managers. They have followed this path before. From 1985 to 1988, the U.S. dollar was allowed to depreciate by over 40 per cent against its U.S. trading partners, which, in spite of the friendship of Prime Minister Mulroney with President Reagan, had political consequences for that Conservative government.

What helps protect foreign investors in U.S. securities is that a U.S. dollar decline adds to U.S. inflation, which leads to higher interest rates, which leads to a possible deflation, all of which is to be avoided by U.S. fiscal managers, if at all possible; particularly since raising interest rates lead to higher interest payments on U.S. debt from the federal treasury, and reduce the fiscal ability of the United States to afford its current domestic and international responsibilities.

Unfortunately, I have not the time to discuss the cost to the U.S. economy and its productivity of higher energy costs which seem to be the trend. A recent speech by Vice President Dick Cheney in Lithuania on Russian oil policy defines the U.S. sensitivity on this subject.

Honourable senators, budgets should be more than lipstick for political tactics to win elections on the basis of bad public policy. The Minister of Finance has to take into account the global economic environment and position Canada to deal with the possibilities of adverse circumstances. That is why Liberal budgets included up to $4 billion as a contingency reserve — I hope honourable senators will remember the point made by Senator Eggleton yesterday — that is why Liberal budgets paid down debt to foreign creditors so we would not see demands on our currency from speculators. That is why we asked Canadians to take some hard knocks in the 1990s to avoid harder knocks in this decade.

The Harper government has accused previous Liberal governments of deliberately misrepresenting their budget predictions in order to gain the political benefit of surprise surpluses; that is not the case. Budget predictions are not a science. There are too many moving parts in play: Currency movement, commodity pricing, export-import balances, inflation and deflation factors. Liberal ministers of finance consulted their officials, but also took advice from a council of economic advisers. Minister of Finance Flaherty told the National Finance Committee earlier this week that he intended to follow the same practice. Bragging about budgets coming in on target reminds one of the alleged powers of King Canute: Be careful of what you believe and what you believe is under your control.

Honourable senators, this first Harper budget is not to be taken as a serious effort in fiscal leadership. The Harper government, contrary to assurances to the Canadian public, was not ready to be a government as this budget shows. Should this budget be passed by the Senate? Not on its merits, but probably we will pass it on division for political reasons. The next budget will have to meet a much higher standard, particularly in light of the transitional nature which the global system is now experiencing.

Hon. Lowell Murray: Honourable senators, I want to draw your attention to a number of things that went on at the Standing Senate Committee on National Finance on Monday night and Tuesday when this bill was before us.

I am tempted to follow Senator Austin on the question of projections of surpluses. I will not go there except to remark in an objective way that we had some useful testimony on Tuesday on that subject from the economic panel that was before us, Dale Orr of Global Insight Canada, Niels Veldhuis of the Fraser Institute and John Williamson of the Canadian Taxpayers Federation.

When asked in what proportion a surplus should be used for paying down the debt, lowering taxes or undertaking new spending programs, I believe they were all of the view that certainly any surplus over and above that which was projected should be applied immediately to paying down the debt. They said many other things that I do not have before me, but it was an interesting dialogue that we had on Tuesday.

The Minister of Finance, Mr. Flaherty, was before us on Monday, as Senator Austin knows. It was the first time I had seen Mr. Flaherty in action. He is certainly the master of his brief and very well prepared. I would not call him "combative or pugnacious," although some might. Certainly, he was fully engaged with members of the committee on every subject discussed. That is to be commended.

I wish to flag some issues for those of you who are interested in the subject. Interestingly enough, on Monday night, with regard to the fiscal imbalance, he told us:

> We feel that we should move to fiscal balance. We hope to take a major step in that regard next Tuesday when the finance ministers from across Canada meet.

He was flagging for us that there is big news coming on the fiscal imbalance front next week. Stay tuned.

That would be, in my interpretation the "vertical" fiscal imbalance; that is, the imbalance between the federal government on one hand and the provinces on the other. One day I will speak to that subject. With regard to what we call the horizontal fiscal imbalance, the question of equalization, we will have to wait a while longer for that. Later in his remarks, he said:

> The Government of Canada collects revenues from taxpayers who are paying their taxes to the Government of Canada and it is constitutionally obliged to address the issue of equalization to make sure we have reasonably comparable social services in all parts of the country. That ultimately is a decision of the Government of Canada and will be dealt with in Budget 2007.

We will have to wait a while longer to see what is coming on that matter.

When I asked Mr. Flaherty questions about what is becoming something of a hobby horse for me; namely, whether the government will pursue the harmonization of the GST with provincial retail sales taxes, he made it clear that government will not take any initiative in this respect, and that as far as he and the government are concerned this is a matter for the provinces to bring forward. That may be a tactical or strategic position on his part, but he was clear on that point.

As to whether we ought to move to have the GST included in the price of goods and services that are sold, he brushed it off completely, "Not interested," is what he said. Interestingly, when the economic panel appeared before us the next day, all of them, particularly Dale Orr, acknowledged that harmonizing the provincial and federal consumption taxes would confer benefits upon Canada in terms of economic efficiency and competitiveness because we would then effectively have a single consumption tax with the input tax credits and all the rest of it. They acknowledge the economic benefits to come from that. However, all of these people who are of a fiscally conservative frame of mind, pointed out that harmonization would put more revenues into government treasuries and, therefore, was to be discouraged on that ground alone.

• (1530)

As to whether the GST might be included in the price of products being sold, the witnesses were adamantly against it. They took the view that one of the reasons the GST is hated so much as a tax is that people see it up front, and, in their view — a principled view that I used to hold — consumers should be able to see exactly how much they are paying in taxes on any given matter. At the pump, as my honourable friend knows, the oil companies have to put a sticker on the gas pump to tell us. I accept that, but I have a hunch that most consumers would prefer to have the sales tax included in the price, as is the case in most of the European countries. I also have a hunch — I may be wrong, but I would like to test it some time — that a good many retailers would like to see the tax included in the price.

Finally, I continue to be mystified by the quite unreal debate on the child care issue, and, in particular, on the agreements in principle or the policy of the previous government. Notwithstanding the rhetoric we heard from some Liberals during the election campaign, this was not and would never be "another medicare." Yet, some of the proponents of that plan were at the committee the other day talking about the search for national standards and that sort of thing. Meanwhile, the opponents were talking about the state taking charge of children, a cookie-cutter approach, one size fits all and so forth. The Minister of Finance even went so far as to talk about some form of regimented system that parents would have to fit into.

We must at least acknowledge that the Liberal program was asymmetric. That was one of the reasons I supported it. It was negotiated with the provinces under the Social Union Framework Agreement. It was essentially to help provinces finance the expansion of the provincial early learning and child care programs. The design was to have been left to the provinces. All of the concerns about rural and underserved areas, Aboriginals and linguistic minorities, were touched upon in the agreements in principle. The action plan was to contain a design provided by the provinces to address these areas.

There was to be great flexibility as to the locale of the child care facilities being funded. I am looking at the New Brunswick agreement now, but it could have been any of them:

> Early learning and child care programs and services are defined as those supporting direct care and early learning for children in settings such as child care centres, family child care homes, preschools and nursery schools.
>
> Types of investments could include: capital and operating funding, fee subsidies, wage enhancements, training, professional development and support, quality assurance, and parent information and referral. Programs and services that are part of the formal school system will not be included in this initiative.

Honourable senators, these agreements in principle were as loosey-goosey as anything that any Liberal government had ever negotiated with the provinces. They were inviting the provinces to design early learning and child care programs, and, as I said, that is one of the reasons I supported them. The question becomes academic, because as I said the other day, we will not see a child care system so long as the present government is in power unless there is a sea change of the kind they have already made on language policy and in their approach to Quebec, because they have a principled objection to it. That is all I need or want to say for the moment.

I congratulate the chairman and others. We had two very good meetings, and some very interesting witnesses and honourable senators engaged with them in a discussion of all the important matters that are in this bill.

Hon. Pierette Ringuette: Honourable senators, I truly appreciate the comments on the budget made by the Honourable Senator Murray.

During the Standing Senate Committee on National Finance hearings in regard to the GST, one of the witnesses indicated that if we reduce the GST, there is a potential for the provinces, in the discussions of the fiscal imbalance supposedly moving toward fiscal balance, to use the current decrease in the GST to increase their own provincial sales tax to meet their fiscal targets.

Senator Murray: I should have mentioned that very point, honourable senators.

First, the minister said that as the government follows through with the reduction of another 1 per cent in the GST, that may encourage provinces to come forward and harmonize. Perhaps the wish was father to the thought; I do not know. That is harmonization.

At least one of the members of the economic panel, Dale Orr, suggested that as the federal government lowers the GST, it should take the position that it is providing tax room for the provinces, and, unless and until the provinces occupy that tax room, they should not come back to Ottawa looking for more money.

The issue is far more complex than that. As we all know, one percentage point, whether of income tax revenue or sales tax revenue, is worth more in some provinces than in others. The federal government could, in principle, suggest that by lowering taxes it is creating more tax room and, therefore, helping to redress the fiscal imbalance. The fiscal imbalance can also be redressed, as the provincial panel of which I was a member suggested, by uploading some responsibilities from the provinces to Ottawa. It is part of an important debate about which we will be hearing more in a while.

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

Hon. Senators: Question!

The Hon. the Speaker: It was moved by the Honourable Senator Angus, seconded by the Honourable Senator Cools, that this bill be read a third time.

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

Some Hon. Senators: Agreed.

Some Hon. Senators: On division.

Motion agreed to and bill read third time and passed, on division.

FEDERAL ACCOUNTABILITY BILL

SECOND READING—DEBATE ADJOURNED

Hon. Donald H. Oliver moved second reading of Bill C-2, providing for conflict of interest rules, restrictions on election financing and measures respecting administrative transparency, oversight and accountability.

He said: Honourable senators, I am proud as a Canadian to rise today to begin the debate on one of the most important pieces of legislation to be brought into this chamber in many months.

Accountability is the foundation on which Canada's system of responsible government rests. A strong accountability regime assures Parliament and Canadians that the Government of Canada uses public resources efficiently and effectively.

• (1540)

I have had a personal interest in ethics since it was one of the subjects I studied when taking courses towards my master's degree in existentialism in the 1960s. My interest in political ethics culminated with the successful Oliver-Milliken code of conduct for parliamentarians which is now the code, in force for parliamentarians in Poland.

I have had the honour to chair the Standing Senate Committee on National Finance that conducted extensive hearings on accountability and the accounting officer concept last year.

I had the honour to be invited to make an appearance before Judge Gomery in the research component of his report dealing with accountability.

Honourable senators all know that Canada is widely respected around the world not only for its peacekeeping traditions, but also for being a model for multiculturalism, for respecting diversity and for understanding human rights.

In the last two years, I have had the honour to speak on Canada's pre-eminent role as a leader in concepts of multiculturalism and diversity in countries such as Brazil, the United Kingdom, Sweden and soon Denmark. I feel that once our new accountability act is passed by Parliament and receives Royal Assent, the reputation of Canada as a country with a democracy that is modern, efficient and effective because of its accountability and transparency will be amplified manyfold.

The accountability act that is before us today did not just fall out of the sky. The act is a result of months and months of careful study and analysis, and a result of a decision by Prime Minister Stephen Harper to change our public institutions to make them more accountable to the people. By introducing transparency and greater effectiveness, Canada will once again become the envy of many other democracies around the world.

No individual piece of legislation is absolutely complete or perfect, but that is where we come in. We, the Senate of Canada, the body of sober second thought, have a responsibility to carefully review this legislation, and interview a number of witnesses on it, to ensure that the elected House of Commons has not made any legal or constitutional errors in passing this important legislation. It is in this careful and judicious work done by our committees where the Senate of Canada has traditionally excelled.

It is my hope, honourable senators, that once this bill is referred to committee we can take the time necessary, at an early date, to hear the necessary witnesses, to conduct our due diligence and to ensure that this extremely important piece of government legislation is properly scrutinized.

As I will shortly relate, this bill is huge and comprehensive. I cannot purport to understand each and every clause of the bill, so what I propose to do is to give a general overview.

Once it reaches committee and witnesses are summoned, that will be the time to give detailed analysis to particular clauses and concepts in the bill.

Let me begin.

Bill C-2, providing for conflict of interest rules, restrictions on election financing and measures respecting administrative transparency, oversight and accountability is known by its short title as the Federal Accountability Act. It is a far-reaching omnibus bill. It brings extensive changes to Canadian law with a view to ensuring greater accountability, more transparency and ethical government conduct.

With 317 clauses, it is a complex and important measure, a much needed step in restoring confidence in government among Canadians.

Bill C-2 comes to the Senate after a little over two months of in-depth study in the House of Commons. The bill was tabled on April 11 and debated in committee in the other House over 10 weeks. Starting on May 3, a legislative committee of the House of Commons held intensive meetings and heard over 70 individuals and groups of witnesses, in extended hours of committee meetings.

Clause-by-clause analysis took place from June 7 to 14. Amendments to the 70 clauses were reported back to the House on June 16. While some points of contention were raised during the first stage of study of Bill C-2, many areas of consensus emerged. Twenty-four further amendments were made at report stage in the House.

I have not yet had an opportunity to study the impact that these amendments have on the bill. Let me summarize. There were 70-plus witnesses, 70 clauses were amended, one new heading was added, the schedule was also amended, and the bill was debated for 61.6 hours. At report stage, 24 amendments were adopted. The bill was debated, ending late last night, for 24.2 hours in the House.

Part 1 of Bill C-2, enacts the proposed conflict of interest act creating for the first time a legislative regime governing the ethical conduct of public officeholders including: cabinet ministers, ministers of state, parliamentary secretaries, ministerial staff, and certain cabinet appointees, both during and after employment. In addition to creating a series of compliance measures, this new act will establish a complaints regime, set out the powers of the new conflict of interest and ethics commissioner and provide for public reporting and penalties. The commissioner's mandate, appointment and term are governed by amendments to the Parliament of Canada Act, which also prohibits members of the House of Commons from accepting income from certain trusts and requires them to disclose all trusts to the commissioner.

Part 1 also includes important amendments to the Canada Elections Act dealing with political donations, contributions, gifts and prosecutions under that act. The bill would reduce the limit on campaign contributions to $1,000 from the current $5,000.

A new lobbyist act, replacing the Lobbyist Registration Act, includes the creation of an independent commissioner of lobbying to replace the current registrar. The commissioner will have greater investigative authority and new enforcement powers to control the activities of lobbyists. Senior public officeholders including ministers of the Crown, their staff, their senior public servants, such as deputy ministers or assistant deputy ministers will be prohibited from lobbying for five years after leaving their government position. Lobbyists will face more stringent disclosure requirements.

Ministers' political staff will no longer have priority in being hired into the public service. New provisions will allow ministerial staffers and certain other Hill employees to apply for internal competition open to employees of the public service.

Part 2 of the bill is entitled Supporting Parliament, and it contains a number of measures that do just that. Parliament will have a greater role in the appointment of officers of Parliament. A new parliamentary budget officer, an official who will be part of the Library of Parliament, will have the mandate to provide objective economic and financial analysis to Parliament, and to support parliamentarians and committees of the Senate and the House in consideration of estimates.

With expert staff and legislated access to government information, the parliamentary budget officer will strengthen Parliament's ability to scrutinize government spending and to analyze economic trends.

Part 3 enacts new legislation to establish a director of public prosecutions with the authority to initiate and conduct criminal prosecutions on behalf of the Crown. Operating outside the Department of Justice, the office of the director of public prosecutions will have independence to pursue prosecutions under federal law and will report to Canadians on its performance.

The bill amends the Access to Information Act, extending its application to officers of Parliament, all Crown corporations and several government-funded foundations. The amendment also establishes new exemptions or exclusions relating to the added entities.

Whistle-blowers will receive greater protection from amendments to the Public Servants Disclosure Protection Act, notably through the creation of the public servants disclosure protection tribunal, and the expanded authority of Canada's Public Sector Integrity Commissioner.

• (1550)

A new public appointments commission is to be established under Part 3 to oversee, evaluate and report to Parliament on selection processes for Governor-in-Council appointments and appointments to agencies, boards, commissions and Crown corporations.

Part 4 of the bill amends the Financial Administration Act to establish deputy ministers and equivalent senior officials as accounting officers, who are accountable for certain matters before parliamentary committees, and to enhance the penalty for fraud under that act. Further changes to the Financial Administration Act and other statutes deal with matters related to internal audit in the federal public administration.

Part 5 of the bill amends the Auditor General Act by expanding the class of recipients of grants, contributions and loans into which the Auditor General may inquire as to the use of public funds. Amendments in Part 5 of the Financial Administration Act deal with fairness, openness and transparency in government contract bidding. The procurement auditor will review contracting practices, and a code of conduct and integrity provisions for contractors will also be created.

Amendments by the House of Commons have revised certain measures that might have affected parliamentary privilege, notably by removing the secret ballot requirement that had been proposed in a series of provisions in the bill governing the appointment process for officers of Parliament. The suggestion was that when they are nominated, voting takes place by secret ballot, but that was challenged and changed.

Bill C-2 comes to the Senate after thorough review and significant amendments in the other chamber. We must put our minds to consideration of this important measure, using our perspective as senators and thus as experienced participants in the governing structure. I urge honourable senators to give your immediate attention to this bill so that it can move quickly toward committee where it can be thoroughly studied.

Hon. Daniel Hays (Leader of the Opposition): Will Senator Oliver take a question?

Senator Oliver: Yes, although I have not yet analyzed all the amendments made in the House of Commons.

Senator Hays: I offer the Honourable Senator Oliver my congratulations on his speech, which summarizes the salient parts of the accountability legislation. I noted in particular Senator Oliver's comments on the role of the Senate and the need for senators to study and raise concerns in order to understand Bill C-2 well.

The honourable senator spoke about Canada as a model. Canada is a successful country and has been without many of the aspects that are now provided for in the accountability bill. Given the success of our country and the way in which our institutions have served it and the way in which oversight has occurred in the areas of conflict of interest, codes of conduct and ensuring accountability, transparency and openness, has the honourable senator in his experience and in the briefings on this bill formed an opinion on the overall impact of Bill C-2? Mr. Kroeger expressed concerns about the changed culture, which the minister referred to earlier today. He suggested that senators think carefully about the possibility that the bill might not produce the desired result and could make governance more difficult with too many people looking over too many peoples' shoulders. It could create a reluctance on the part of public servants to take risks and it could reinforce a reluctance to make decisions for fear of being held accountable in a way that they might regret. As a result, public servants could become so cautious that they might not make good judgments and could become more concerned about who is looking over their shoulder than about achieving the objective with which they are charged.

Senator Oliver: I thank the honourable senator for his question. He is correct in that Mr. Arthur Kroeger, Mr. Perrin Beatty and a number of other knowledgeable and experienced individuals who appeared before the special committee in the House of Commons raised a number of cultural concerns about whether there are too many new boards, commissions, agencies and systems proposed in this huge omnibus bill. It might result in too many regulations, making it cumbersome. From my few briefings on the bill and my reading of it, the primary objective of the bill is to introduce more transparency in a number of different clauses of the bill and to also engage parliamentarians of both Houses in a more meaningful way on many of the decisions being made.

I recently travelled to a country in Africa, where there was a lack of transparency and where there was corruption and many other problems. Once Canada has this new accountability legislation passed, it could be a model for many of those new and developing democracies that are looking for ways to determine the significance of transparency in the way that they conduct their affairs. Canada can be a significant model for the world.

Senator Hays: Would the honourable senator agree that the bill should be studied further and thus referred to committee for consideration not only with the witnesses he mentioned, but also with others who might give us a good indication of whether this could be a problem and how the bill might be better structured to avoid those problems?

Senator Oliver: A number of academics, some of whom did not appear in the House of Commons, have written books and major papers on the subject of the management of the public service and rules and I am thinking of Professor Peter Aucoin, who is well known throughout Canada and beyond for his expertise in these areas. Certainly, it would be useful to hear his testimony on the subject of the culture that the honourable senator raised.

Senator Hays: I refer again to the Canadian model for my next question. The honourable senator spent some time on the provisions of the bill, which evolved from Bill C-24, introduced by former Prime Minister Chrétien, and put limits on the amounts that certain individuals and entities contribute to political parties. I do not know that the committee in the other place spent any time looking at that question on the basis of comparing what is proposed in the bill, as it evolved from Bill C-24, between the provinces of Canada and other developed countries. I would be interested in the comment of the honourable senator on why that might not have been done. Perhaps I am mistaken and it was done.

Senator Oliver: My recollection is that the Chief Electoral Officer, Jean-Pierre Kingsley and representatives of the parties represented in the House of Commons all appeared before the House of Commons special committee to deal with that particular point. If memory serves me correctly, I believe it was Mr. Stephen Owen, representing the Liberal Party of Canada, who proposed an amendment dealing with the issue raised by the honourable senator. I do not believe that witnesses appeared to present comparative evidence of other jurisdictions, such as Australia. I agree that the steering committee of the Standing Senate Committee on Legal and Constitutional Affairs should consider the bill.

Hon. Norman K. Atkins: Honourable senators, could the Honourable Senator Oliver tell me whether any chief fund raisers or senior organization people from various parties appeared before the special committee? It would seem that $5,000 is not a significant amount of money for contributions to federal parties.

• (1600)

In my experience, one does not run campaigns on fudge sales, and I just wonder how those people drafting the bill came to the conclusion that it was important to reduce it from $5,000 to $1,000, especially when, under the act, there was disclosure.

Senator Oliver: In the House of Commons, not only did the Chief Electoral Officer appear, but also representatives of the parties and officials from all parties represented in the House of Commons appeared, and there was lively debate on this topic. Officials from the Conservative Party, the Liberal Party, the Bloc Québécois and the NDP, all appeared to answer questions on the change from $5,000 to $1,000. Amendments were proposed to change it, but were not successful. Evidence was presented and the issue was hotly debated.

Hon. Terry M. Mercer: Would the honourable senator tell us how much time those representatives of the political parties, the professionals who run campaigns, were given by the committee to examine the effects of these changes on the political process, and to testify? Many people in this chamber, including Senator Atkins, myself and several others, have had the pleasure and honour to manage our political parties.

Senator Oliver: I cannot answer that. I can tell the honourable senator there were more than 70 hours of debate and 70-plus witnesses, but I do not know the specific amount of time that individual parties had. I do know that a lively and fulsome debate went on for hours.

Senator Mercer: As always happens in the House of Commons, debate is lively as debate is lively now. If the honourable senators examined the times that people were given to testify before the committee in the House of Commons, they might find that time was limited, so that members did not have an opportunity to fully question the witnesses, to examine the depth of their knowledge and to explore the effects of all aspects of this legislation.

I understand that the issue will probably go to the committee that the honourable senator chairs. I hope witnesses will be given a little more time. One benefit of the Senate, of course, is that we take our time to examine, in the fullness of time, what the witnesses have to offer. We try not to limit witnesses' testimony. Obviously, we do not want to waste our time, but we want to make sure that we get every piece of knowledge out of the witnesses.

Will the honourable senator commit to ensuring that time will be taken in his committee as we examine this bill?

Senator Oliver: I thank the honourable senator for his question. I, of course, will not make the decision. The decision on witnesses that come before committees is made by a steering committee.

Senator Joyal and Senator Carstairs are the two other current members of that committee. We had a preliminary meeting on the issue. We have looked at a number of witnesses, at times, and so on. I will take the honourable senator's representations to the next meeting of the committee, with a recommendation to give them careful consideration.

Senator Joyal, Senator Carstairs and I all feel that this bill is extremely important, one that we should not rush, one on which we should hear a lot of witnesses, and the witnesses should be given ample time to make their points.

In the House of Commons, the rules provided that each witness or set of witnesses was given 40 minutes. Witnesses were given 10 minutes to make their opening statement, and 30 minutes was given for questions from the committee.

Hon. Jack Austin: Honourable senators, first I want to congratulate Senator Oliver for the weighty responsibility that the government side has given him to sponsor this legislation. The legislation is considerable in size and complexity. In fact, Senator Oliver is sponsoring a number of bills, all wrapped into one.

I wanted to ask the honourable senator about the part of the bill that deals with the conflict of interest commissioner. Of course, he and I and many others here are familiar with the debates we had with respect to the Senate Ethics Officer. We are familiar with the Oliver-Milliken report with respect to conflict of interest and the management of conflict of interest issues.

Does the honourable senator find himself somewhat in personal conflict in acting as sponsor of this bill, which has this conflict of interest commissioner? In my view, the proposed conflict of interest commissioner ignores the independence of this chamber, an independence which the honourable senator and others made such a point of in previous debate.

Is the honourable senator comfortable now in turning his back on the previous positions taken with respect to the Senate Ethics Officer, and will he represent the conflict of interest commissioner argument contained in the bill, or is he open to entertaining an amendment from this chamber to preserve the Senate Ethics Officer as an independent officer of this chamber?

Senator Oliver: I thank the honourable senator for his question. I do not make the decisions for either the steering committee or the Standing Senate Committee on Legal and Constitutional Affairs. Decisions will be taken by the committee itself and the steering committee will make recommendations to the committee with respect to witnesses and so on.

Through preliminary talks in the steering committee, it is recognized that the area of the bill that the honourable senator raises questions about is one to which we should give careful consideration. We have already turned our minds to the types of witnesses who should be called to come before the committee to give evidence. Once the bill gets to committee, witnesses are called and evidence is heard, the committee will decide what it will do by way of amendments or other actions.

Senator Austin: As sponsor of the bill, is the honourable senator currently able to accept possible amendments that would bring about a return to the current situation, that is, that of a Senate Ethics Officer, independent from the proposals that are contained in the bill?

Senator Oliver: The committee will make that decision. As the honourable senator knows from his many years here, when a bill goes to the committee, the committee is allowed to hear evidence, make a report, make amendments and bring amendments back to this chamber for consideration.

I do not want to prejudge what our committee will do, should it get the bill and should it hear witnesses on the bill. I do not want to prejudge what might happen. I do want to ensure that the committee has ample time and opportunity to hear all significant witnesses on the important point that the honourable senator raises.

Senator Austin: Thank you.

Hon. Anne C. Cools: I wonder if the honourable senator will take a question.

Senator Oliver: Yes.

Senator Cools: My question pertains to the new regime of Ethics Commissioner that will be created by this bill. I think the honourable senator knows that in previous years, I had taken quite an interest in the then-government's creation of the position of Senate Ethics Officer.

Can the honourable senator relate to this chamber the problems in the current regime that have caused the government to want to replace it? Hopefully, it is being replaced for a good reason. A proposal to replace a regime must be founded in some solid basis of reason. What are the imperfections in the current system that the new proposal is intended to remedy?

Second, could the honourable senator tell us a little bit about the differences between the current regime and the regime as proposed in this bill?

• (1610)

Senator Oliver: First, I am not a member of the cabinet and I did not sit in the cabinet when they decided to bring forward this bill. If I were a member of cabinet, that information would be privileged. Some of the reasons that appeared in the media are well known to all. As I understand it, the Prime Minister wanted to have someone involved with judicial and legal training. That also came out in the hearings before the House of Commons.

As to the reasons why the government proceeded in that way, that is a matter for cabinet.

Senator Cools: Honourable senators, I am curious as to the reasons why the current system and its Senate Ethics Officer needs to be replaced, unless we engage in change for the sake of change.

What is of interest to me is that a couple of years ago, many senators worked very hard on the subject matter, and most senators here took some pretty strong positions. I am trying to understand the basis and the foundation for the sweeping away of all of those positions and all of those stands in favour of this one. There must be an explanation based in reason, based in the law and based in the Constitution. If the honourable senator believes that the current system is not broken, why is he proposing a new one? If he is proposing a new system, then tell us what is wrong with the old one.

An Hon. Senator: Good point.

Senator Oliver: I thank Senator Cools for her question. One of the reasons that the Senate committees call witnesses before them is to answer questions such as this.

It is my hope, without prejudging who the steering committee may choose to call on this point, that various ministers who have responsibilities in these areas, such as the Minister of Justice, could be called before the committee to account.

[*Translation*]

Hon. Michel Biron: Honourable senators, the Moisan report revealed that the Parti Québécois turned a blind eye to $96,400 in contributions it received. In his recommendations, Judge Moisan proposed:

> ...rather than discreetly looking the other way and taking a holier than thou attitude, we should increase the contribution limit for individuals to $5,000 and for corporations to $15,000.

In its campaigns, the Parti Québécois has always claimed to be the most honest party. In view of Judge Moisan's recommendations to increase the contribution limit, how can we consider reducing it from $5,000 to $1,000?

[*English*]

Senator Oliver: The province of Quebec had a system provincially of financement populaire that put controls on contributions. The system that existed in Quebec was looked at by the Lortie Royal Commission when it made recommendations on political financing of political parties and individual candidates. The committee would be well disposed, as the committee was in the House of Commons, to call a number of officials from the electoral office in Quebec City before us so we can hear what their views are now.

Hon. Pierrette Ringuette: I have been listening to the issue in the last few months, since the bill was tabled in the other place. I always want to relate to my own home province. I was curious this week to hear that the current Prime Minister of Canada would want to decrease personal contribution to political parties to $1,000, while the political cousin of the honourable senator, the Premier of New Brunswick, Bernard Lord, indicated this week, publicly and in the provincial legislature, that he would like to see New Brunswick provincial political parties be able to have $3,000 in personal donations to any political party.

Will the honourable senator also look into what is happening in the provinces in regard to this issue?

Senator Oliver: I do not want to disclose all of the things that were discussed in an in camera meeting of the steering committee today, but there were discussions of the types of provincial witnesses who will be called on a number of the sections in the bill. That is something that the committee will consider again at its next meeting.

In fairness to the other members, I do not wish to disclose much of what we spoke about in terms of the types of political representatives who may or may not be called before the committee once the bill gets there. I have heard the representations of the honourable senator.

On motion of Senator Fraser, debate adjourned.

[*Translation*]

INTERNATIONAL BRIDGES AND TUNNELS BILL

FIRST READING

The Hon. the Acting Speaker informed the Senate that a message had been received from the House of Commons with Bill C-3, respecting international bridges and tunnels and making a consequential amendment to another Act.

Bill read first time.

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

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

[*English*]

CONSTITUTION ACT, 1867

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

> Resuming debate on the motion of the Honourable Senator LeBreton, P.C., seconded by the Honourable Senator Comeau, for the second reading of Bill S-4, to amend the Constitution Act, 1867 (Senate tenure).

Hon. Norman K. Atkins: Honourable senators, I rise today to join in the debate with regard to Bill S-4. Let me begin by saying that one of the benefits of the Senate is the broad representation and experience offered by its members.

By moving in a direction of limiting the tenure and subsequently electing the Senate, which the Prime Minister has signalled, the quality of candidates will be limited. We will not attract senators like Senator Keon, Senator Banks and Senator Kirby; and former senators such as Senator Morin, Senator Forsey and Senator Beaudoin. The Senate is more representative of linguistic minorities, Aboriginals and women — indeed, Canadians in general — because it is different from the House of Commons and need not be concerned with issues that affect elections.

If honourable senators are limited to an eight-year tenure, combined with some form of election, there will be little difference between the House of Commons and the Senate. Ultimately, the Senate will become less representative of regions and more partisan. Quite possibly, a senator seeking re-election would be at the mercy of prime ministerial approval.

• (1620)

I believe that the government does not give enough credit to the Fathers of Confederation and the Constitution. If we abide by the Constitution it works, and has worked for a very long time. To assume you can make changes to the Senate without having it affect the balance of power, and without a clear and complete plan, is dangerous, as was pointed out succinctly by my colleague, Senator Murray.

I have long believed that instead of re-forming the Senate or bashing it, the government would be well advised to better utilize it. The Senate should be given more opportunity to deal with inquiries, commissions, and the Committee of the Whole. There has been such a mindset that there is something wrong with the Senate because senators are appointed, but the extremely good work that is done is being overlooked, such as the committee reports.

The criticism that senators are not representative, should have limited tenure, and must be elected, comes with a price. Electing senators will change the relationship between the two Houses in terms of their responsibilities. One difficulty is that the Senate will, by virtue of being elected, expect and demand more authority and be more representative than a member of the House of Commons.

As many of you already know, I am against an elected Senate, for reasons I have already stated before in the House. I have no reason to think that an eight-year tenure is any more desirable. That said, there is room for change, but I believe that in order to make major reforms the government must examine all the institutions of government. To reform the Senate will take constitutional change. We must adhere to the rules as outlined in the act. To bypass the act would be a disservice to Canadians. The Supreme Court, as indicated by our esteemed colleague Senator Hays, was clear on that point in the 1980 ruling. It clearly stated that:

> If tenure was decreased enough, one of the Senate's essential characteristics, which is to say providing sober second thought to legislation, could be impaired.

The Leader of the Government in the Senate has argued that we have had a number of senators who served a minimum number of years and were effective. That is true, but most of them would tell you that they were reluctant to leave and had much more to offer. They also had the benefit of the wisdom and guidance of their colleagues, who have been here much longer, and are able to draw on their experience and expertise to help guide new and inexperienced senators through the examination of legislation. These very senators are able to work together in a non-partisan fashion because they have had no need to concentrate on re-election or imminent retirement within a short period of time.

I cannot envision a Senate with very little experience and background, and no real corporate knowledge. It certainly would not be as effective as the Senate of today. We have long benefited from the expertise and guidance of senators such as Senator Beaudoin, whom our leader indicated was consulted for constitutional opinions on this very bill, precisely because of his knowledge and long experience gained in this place. Do you truly believe that Eugene Forsey, one of our legendary constitutional experts, would have run for office?

The bicameral system is a check against the House of Commons. There are many bills that come through the House of Commons that the government decides are ultimately not in its best interests. The Senate gives them an opportunity to make that adjustment.

The Senate has cleaned up sections of bills that the House of Commons had overlooked, which dealt with issues such as a labour bill that was not gender cognizant. The Senate dealt with an abortion bill that turned out to be an unacceptable compromise to many people on both sides of the question. It clarified an omnibus bill, Bill C-93, with a section, Part III, which was designed to reverse a decision previously made by the government that should never have re-emerged. It was buried in an omnibus bill for precisely that reason.

The government should not unilaterally make changes to suit its will and its political agenda. If a change such as adjusting tenure can be made by utilizing section 44 of the act, then any number of changes could potentially be made without consulting the provinces, which I believe is a dangerous course.

What would stop a government with a large majority from introducing a debate on the proposed clause that will allow senators to remain godfathered? They could argue that it was not democratic for elected senators to deal with unelected senators and rid itself of those senators who were appointed to age 75. It has been pointed out by Senator Cools that this change to section 44, which limits tenure, opens the door to abolishing tenure. All of this could potentially happen without a full constitutional debate if we follow this course.

There have been many questions posed during the recent debate regarding the effects of a change of tenure. One that comes to mind is if a senator under the current system reaches retirement age, is he or she precluded from running for election and subsequent re-election?

The Canadian electorate has become cynical when it comes to politics and, indeed, that includes the Senate. There is a perception that the public believes favouritism and partisanship play too much of a role.

Our provincial premiers, when frustrated with the federal government and its policies, use the hot-button issue of Senate reform, abolition and Senate-bashing as a method of attracting attention to their cause. Even our current Prime Minister attacked the Senate to get a big applause during the election campaign.

The fact of the matter is, while the public has heard one side of the argument in reforming or abolishing the Senate, I have yet to hear a concise, clearly-outlined explanation of what that entails and an evaluation of the consequences of removing the Senate.

This institution was specifically designed by our Fathers of Confederation for the good of the country as a form of check and balance or a safety valve, if you will. The fact that it was created by our Fathers of Confederation a long time ago takes nothing away from the merits of having it. Tinkering with it and its raison d'être is ill-advised.

Canadians need to be aware and understand the consequences of having a political party with a large majority, with an agenda that is not necessarily supported by the people and nothing to impede their will.

The Senate provides an opportunity to slow legislation down, good or bad, to be studied and contemplated, for the good of all Canadians. It is indeed a safety valve.

Utilizing section 44 of the Constitution, as the government wants to interpret it, indicates contempt for not only the spirit and perhaps the letter of our Constitution, but also for the electorate of this country, not to mention the Senate itself. By making changes that undermine the effectiveness of the Senate without opening the constitutional debate and reviewing all institutions, the government might be playing good politics for election purposes, but the question is, is it good policy and is it good for the country?

Senator Merchant has stated:

> We have to approach Bill S-4 in relation not to where we are politically, but with the future and the good of Canada in mind.

That is good advice.

Senator Hays, in speaking about our system of government, appropriately said in his statement:

> ...we have respect and pride in our democratic system of government that has bridged these vast physical divides and facilitates our cultural, social and economic differences so successfully that we are among the most admired and envied countries in the world. We need to protect that system, and change should only come after careful and calculated study.

• (1630)

Honourable senators, let us not forget that Canadians have been well served by the Senate since Confederation. We should be proud of the fact that our nation calls upon some of Canada's leading citizens to serve our country.

Let us be clear: This is the first in a potential major realignment of our system and balance of power between the Senate and the House of Commons. It could well be the first step towards the Americanization of our political system. Does the Harper government have the mandate to do this? I think not.

We must trust Canadians. If the Harper government wants to remake the Senate, then let it present a thoughtful and clearly articulated vision for the Senate and all our institutions. I urge

honourable senators to say "no" to ad hocery and say "yes" to responsible government as envisioned by our Fathers of Confederation.

Some Hon. Senators: Hear, hear!

Hon. Terry M. Mercer: Honourable senators, I am pleased to have the opportunity to continue a debate on Bill S-4, which would limit the tenure of senators to eight years.

As honourable senators are aware, there is no fixed tenure for senators apart from the framework established by the Constitution. It is obvious that if a senator was appointed at the age of 30, he or she could serve up to 45 years.

Others have acknowledged that this bill does not change the power of the Senate, the method of selection of senators or the distribution of senators by region. However, this bill does open a Pandora's Box in the sense that it is a piecemeal approach by this government to Senate reform. It threatens the very purpose of the Senate and its traditions.

During the last election campaign, Stephen Harper stated:

> A national Conservative government will establish a national process for senatorial elections in each province and territory on an interim basis. An appointed Senate is a relic of 19th century Canada. An elected Senate, reflective of the federal nature of our democracy, will be a defining feature of 21st century Canada.

While Bill S-4 does not touch on these matters, it is the start of the dismantling of the purpose of the Senate and the effectiveness that the current processes hold.

Honourable senators, one of the most important roles of the Senate is its independence and its role in providing sober second thought in the legislative process. Some believe that changing the tenure of senators to eight years will not impair this process. I disagree.

The bill itself does not overtly threaten this place, but it certainly does in a covert way. It is a first step as part of the hidden agenda of this new government concerning Senate reform. Instead of a proposal for an elected Senate that was promised during the election campaign by Stephen Harper, we have this bill before us. We are told this is merely the first step in Senate reform. Therefore, we must remember that future reforms are coming. Again, I am concerned that this piecemeal approach starting with Bill S-4 will indeed change the very nature of this place.

We must remember that in order to make an informed decision on any piece of legislation that comes before us, we need to see a full plan. I therefore cannot support this bill because it is only a small part of the plan.

Honourable senators, I will not debate the history of the Senate or the history of other reforms. I compliment my colleague Senator Atkins on what I thought was one of the best speeches I have heard since being in this place talking about Senate reform, and I congratulate him for that.

Many others more literate than I in constitutional matters have already put their voices on record. Nevertheless, I will add my own opinion. I am an advocate of Senate reform. Any type of change we can make to improve the democracy upon which Canada is built is welcomed by everybody here and I think in the other place. However, a tinkering around the edges approach is not satisfactory and may result in creating more problems. It is essential that the special Senate committee undertake an in-depth study of Senate reform as a whole to ensure a thorough examination of all relevant issues. In addition, it should include the principles of the bill.

If we are to have open process and an effective democracy, this special study is required. I urge honourable senators to support this process, as we did yesterday, so that we may allow government representatives, scholars, experts, advocacy groups and Canadians to assist us in making our decisions.

This is how the Senate works. This is how the bill should be handled as well. Let us review some important points from the preamble to the bill. It states:

> Whereas the Government of Canada has undertaken to explore means to enable the Senate better to reflect the democratic values of Canadians and respond to the needs of Canada's regions...

Honourable senators, I see nothing in this bill nor from this current government to suggest that any meaningful reforms have even been thoroughly researched by the new "old boys club" in the PMO.

If we are to respect the representation of the regions by the Senate, we must involve those regions in all discussion of any type of Senate reform. Was there any consultation with the provinces in the proposing of this bill? That is a good question for us to ponder. It is one more reason for the Special Senate Committee to explore Senate reform as a whole.

The preamble goes on to state:

> Whereas the tenure of senators should be consistent with the principles of modern democracy...

The Leader of the Government in the Senate spoke of the eight-year term as being the average term for senators within the current framework of appointments. While this may be true, how does the current bill change that? If on average senators serve eight years, why change the current system with this piecemeal approach? Why not fully engage the entire process and reflect upon meaningful Senate reform so that we may effectively reform the Senate to ensure its relevancy to the Canadian people?

Honourable senators, there is only one reason why this has not happened: Stephen Harper will not open up the constitutional debate because that is what is required to truly reform this place in any meaningful way.

My main concern revolves around the regional representation this honourable place provides. This is the only institution in our governing structure where my province of Nova Scotia and our Maritime friends in New Brunswick and Prince Edward Island are equal to the larger regions and populations of Western Canada, Quebec and Ontario. This is indeed why the Fathers of

Confederation designed the Senate the way they did. This is the only place where small Maritime provinces can cope. We have 25 seats in the House of Commons collectively up against 75 seats in Quebec and 105 in Ontario. We will never be able to have the numbers when the process involves representation by population. This is the place where we are equal. This is a place where I represent the Maritimes.

Some Hon. Senators: Hear, hear!

Senator Comeau: Thunderous applause.

Senator Mercer: I did not see my good friend Senator Comeau applauding. I am disappointed with that.

However, we must be willing to acknowledge the inadequacies in the distribution of senators in the regions. The Fathers of Confederation did not know about the oil in Alberta or the potential for the Pacific gateway for British Columbia or the development of the Okanagan Valley where everybody has moved and the populations have grown so significantly. Population has grown tremendously in the West, and that needs to be examined in terms of the number of senators for the West.

• (1640)

I applaud our colleague for introducing this motion. I have not had a chance to look at it in detail, but it is an interesting first step and an interesting place to begin the discussion. However, even that is somewhat piecemeal. We are not talking about the whole picture. It is not only about representation; it is also about how we do things.

However, I cannot preclude the fact that the Maritime region must remain equal to the West. That is one of my concerns.

Honourable senators, why are senators who represent the regions not talking about this? Why is Stephen Harper not talking about this? Why is he not coming to the Maritimes and saying that he will weaken our representation in the national capital by changing how the Senate works? That is probably one of the reasons he did not win many seats in Atlantic Canada.

We are left with a bill that I believe is designed to appease the electorate with partial fulfillment of a campaign promise. This bill should be treated as such.

The debate surrounding changes to our democratic system of governance must occur, but it must be done correctly. Debate must take place in the homes and legislatures across the country and, most important, among us here and among those in the other place. If we are to achieve any meaningful type of reform, not only of the Senate, but of all institutions of the Government of Canada, we must do it right.

Therefore, I urge honourable senators not to support this bill in its current form. Do not believe that this bill will accomplish what it sets out to do. It is a piecemeal approach to meaningful reform. Let us strongly advocate for proper study of Senate reform, proper consultation with the provinces, proper consultation with the regions and, more important, proper consultation with Canadians. Let us offer them an opportunity to discuss these matters in depth. Let us not limit the time it takes for proper study nor hide true reform in a bill that will accomplish nothing to truly aid democracy.

Some Hon. Senators: Hear, hear!

Hon. David Tkachuk: Will the honourable senator accept a question or two?

Senator Mercer: Of course, honourable senators.

Senator Tkachuk: I find it rather humorous that senators are discussing this issue. If ever there was a conflict of interest, it is we sitting here feathering our own nests.

Some Hon. Senators: Oh, oh!

Senator Tkachuk: This bill requires an eight-year term for appointments to the Senate by the prime minister. If one is elected and then appointed without a term, there is no responsibility. In other words, if one is elected once, the Prime Minister appoints you, and you stay until age 75. The key to responsibility is having to face re-election.

However, if we leave things as they are with an eight-year term, one of two things will happen: Either a Prime Minister will appoint a senator for eight years, every eight years, or the Prime Minister will ask the people for their advice on who he or she should appoint as senators. How will that change the essential nature of the Senate?

Senator Mercer: First, I think it will change the situation because if one must be reappointed every eight years, one becomes beholden to whoever occupies the Langevin Block in that eighth year.

Senator Tkachuk: How is that different from now?

Senator Mercer: Currently one is only beholden to that person until the day of appointment, I guess.

I think Senator Tkachuk is misrepresenting us all, including himself. I have a great deal of respect for the honourable senator. We sit on two committees together. I admire the work the honourable senator does on behalf of the people of Saskatchewan. I think the honourable senator is doing a good job.

He suggested in his question that senators are not doing their job in a responsible way, that we do not feel responsible to our oath of office, that we do not feel responsible to the people of Canada and to this chamber. I feel very much responsible to the people of Nova Scotia and I try to ensure that I meet as many Nova Scotians as possible and hear what they have to say about public policy and about how this place operates.

To return to my first comment, this is piecemeal. If we are going to talk about limiting terms, electing senators, and other things, let us do it all at once. If one builds a house in pieces rather than all together, it will be quite a mess. I think the honourable senator knows what I mean.

Senator Tkachuk: I still do not know what the honourable senator means, and the honourable senator has not answered the basic question. If the Prime Minister appoints senators for eight years who are elected by the people rather than deciding whom he will appoint, how will that change the nature of this place?

Senator Mercer: The ultimate question is whether the person who is appointed for eight years is eligible to be reappointed. If that is the case, senators will have to go through the electoral process again. If we are to have an elected Senate, call it an elected Senate and do not do it through the backdoor.

The Hon. the Speaker *pro tempore***:** I am sorry to advise the Honourable Senator Mercer that his time has expired.

On motion of Senator Fraser, debate adjourned.

NATIONAL DEFENCE ACT
CRIMINAL CODE
SEX OFFENDER INFORMATION REGISTRATION ACT
CRIMINAL RECORDS ACT

BILL TO AMEND—SECOND READING

On the Order:

> Resuming debate on the motion of the Honourable Senator Nolin seconded by the Honourable Senator Andreychuk, for the second reading of Bill S-3, to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act.

Hon. Serge Joyal: Honourable senators, your minds have been solicited on many important issues this afternoon. There was the issue raised by Senator Corbin with regard to the status of Aboriginal languages in this place. There was the issue raised by the Honourable Senator Oliver in relation to parliamentary privilege, which is a difficult and important issue. There were the issues raised by Senators Atkins, Tkachuk and Mercer on the issue of the role of the second chamber in a democratic Parliament where the founding principle is that of responsible government.

I know that our minds are boggled with many difficult and abstract concepts already, but I will now speak on Bill S-3, an act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act.

I normally do not take the time of the chamber to speak on issues related to the National Defence Act. There are senators who are better versed than I in the reality of the Armed Forces. Senator Kenny and the members of his committee from both sides deal with that extensively in their work.

However, honourable senators, this bill, with its very innocuous title, deals with a very serious issue. It deals with women in the army who are the victims of criminal offences. This bill seeks to give to the Chief of the Defence Staff sole authority to decide whether the name of the member of the Armed Forces who has committed such a crime will have his or her name in the registry of such offenders which exists under the civilian common law.

Honourable senators will remember that we adopted that legislation three years ago.

• (1650)

This bill aims to give to the Chief of Defence Staff the sole discretion to decide if the name of a person will not be put into the registry on the basis of:

> ...national security, international relations or the security of an operation...

What does this bill do in practice? Normally, the power to decide who will be in the registry is in the hands of a judge in the common law court, who decides on the basis of representation from the lawyers or attorneys of the defendant if the name of the accused who has been found guilty will be in the registry. A judge decides that. In the context of the army, the army will makes that decision.

The first issue that comes immediately to mind is this: We must be sure that there will be a fair process in the army. We know that in civilian society there is a fair process. There is the capacity to argue, the capacity to rebut and the capacity to rely on a neutral arbitration, a neutral decision.

Honourable senators, we received this bill last year. This bill is the second incarnation of a bill that was in the previous Parliament as Bill S-39, which we debated in the chamber. We sent it to the Standing Senate Committee on Legal and Constitutional Affairs, chaired at that time by the Honourable Senator Bacon, and we met more than eight times on that bill. We found that the bill had, among other flaws, that very issue. There was no oversight of the army decision to not put the name of a sex offender into the registry for, as I said, "national security, international relations or reasons of national security."

Honourable senators will understand that when we had that bill in committee we felt it should be amended to give the capacity to have oversight of the army decision. Why do we need oversight of the judicial power that the Canadian Forces has over the conduct of its members?

I will quote from the former Chief Justice Brian Dickson, who wrote in his report in 1997 on the administration of justice in the army. The report is entitled, *Report of the Special Advisory Group on Military Justice and Military Police Investigation Services*. In his report, Justice Dickson said:

> What we believe is most necessary to restore confidence in the military justice system is increased transparency, accountability, and equality in the application of justice among all ranks.

I repeat, honourable senators: "transparency, accountability and equality in the application of justice among all ranks." I thought we were discussing Bill C-2 when I read that sentence. In other words, when you take decisions, whereby the rights of the person are at stake, it is essential that the process be transparent, that the authority be accountable, and that there be equality of rights in the justice system.

That was the report of Justice Dickson, and he continues:

> An institutionalized process of oversight and review is required to ensure accountability for and transparency of the military justice system within the Canadian Forces community.

That report of 1997 — or its conclusion — was restated in 2003 by another former justice of the Supreme Court, the Right Honourable Antonio Lamer, who was at that time the chief justice of the court. What does he state about the necessity of transparency and accountability? I quote from page 78.

> Independent oversight is especially important for the military police and, in this regard, civilian oversight of police forces is particularly instructive.

In other words, if this bill, the original bill, was to give to the Chief of Defence Staff the final authority to decide if the name of a sex offender in the army is not placed on the registry, who is the civilian oversight over the Chief of Defence Staff?

The government, in introducing Bill S-3, made an amendment to the original Bill S-39. I commend the government for that. The Honourable Senator Nolin, as sponsor of the bill, when he introduced the bill, read clause 227.15(3) at page 15 of the bill, which states:

> The Chief of the Defence Staff shall notify the Minister without delay that a determination has been made under this section.

In other words, the Chief of Defence Staff shall notify the minister without delay. That is what the bill requests. In other words, in Bill S-39 the Chief of Defence Staff made the decision, as one would say, in chambers, without anyone knowing about it. Now in Bill S-3, he will have to notify the minister.

I submit to honourable senators that this step is not the last in ensuring civilian oversight. When the Chief of Defence Staff notifies the minister, the minister should have a way to report to Parliament. Parliament, which is both Houses, should have the capacity to be informed that a special derogation to the common law system has been determined necessary for the benefit of national security, international relations and other military operations.

In previous years, when there had been discussion about the status of women — victims of sexual offence in the army — the military gave the following conclusion:

> Compounding questions around the abuses are the dismissive and/or repressive responses of military authorities. They include interference from superiors in military police investigation into sexual assault, attempts by superiors to keep sexual assault charges out of civilian courts, the quiet removal of perpetrators from the base where the assault took place, and pressure on victims to remain silent.

In other words, if you leave the sole authority within the army ranks, there is a tendency in the system to draw a blanket over the issues. This issue is important because it has an impact on the attrition rate in the army. Honourable senators might think that this issue is of limited importance, and that it concerns only a limited number of people. In fact, it concerns the whole women's contingent in the army.

I will tell honourable senators how many women there are in the Canadian Forces. At present 13 per cent of the Armed Forces is constituted of women, and 23 per cent of the reserve is women. On the regular combat armed forces, 1.9 per cent is made up of women.

I invite honourable senators to look at the paintings around this chamber. Look at the women in those paintings. Those paintings no longer represent the Canadian reality. The first painting, which is on the far end of the Senate, is entitled, "Landing of the First Canadian Division at St. Lazar" painted in 1916. The women are in the back with the children.

Look at the painting at the front of the chamber. The women appear totally in the back, as nursing sisters. They depict the status women had in the 19th century and the beginning of the 20th century.

• (1700)

The one above my head depicts women as victims of war. In none of those paintings are women in the Armed Forces. In none of those paintings are women in combat division. You will all remember that the first woman who died in combat division was the late Nichola Goddard, just over a month ago. The reality now, honourable senators, is that women are part of the Armed Forces. They are part of the Armed Forces in a very difficult context. The army is a man's world; women are the gender minority in the army.

The traditional virtues of the army were the virtues of masculinity. Karen Davis, a defence scientist recently transferred to the Canadian Forces Leadership Institute in Kingston, Ontario and one of the leading authorities on the status of women in the army, informs us that research suggests that women's experiences within organizations too often include issues of discrimination, which are both sexual and based upon their gender. That is what women face when they join the army.

In other words, when a woman joins the army, she is joining the boys' club. When you enter the Armed Forces, you are told that it will make a man out of you. That is the reality. Women entering the army have to face that context.

Honourable senators, I refer you to another article, which I read with interest. The article is included in the *Canadian Woman Studies: Women in Conflict Zones* and is entitled "The Enemy Within: Female Soldiers in the Canadian Armed Forces." It is written by Marcia Kovitz. The title of her PhD dissertation at Concordia University was *Mining Masculinities in the Canadian Forces*. She is presently a teacher at John Abbott College in Quebec.

What do I want to tell you, honourable senators? I want to tell you when a woman enters the army, she runs the risk of being the victim of a sexual assault. Senator Cools asked a specific question on that subject, when we debated the bill the first time. Senator

Cools pointed out that there should be a capacity to seek redress for women. At that time, we asked: Who is defending the women in the army who feel aggrieved? The answer we received was "the ombudsman."

Honourable senators, last week you received the annual report of the ombudsman entitled *Dedicated to Fairness*. In that report, you will find that among the top five complaints in the army, harassment comes fifth. It is still a reality. It is not something we can close our eyes to and think that it does not exist.

Honourable senators, on Saturday, June 3, *La Presse* reported a case whereby a young recruit, with 12 other men, went out on an expedition with two other female recruits. When they returned one of them laid a charge of sexual assault. The case is in the court. If you think this issue means nothing, or that it is just something that is part of the old days, the reality of all the documentation you have received shows the contrary.

As I mentioned to you when we were studying the previous incarnation of the bill, we asked the simple question, what is the compensation system for a woman who is the victim of a sexual offence in the army? Of course, a soldier who is wounded or dies in combat has compensation. However, a woman who is the victim of a sexual offence in the army does not have a compensation regime. She is by herself.

We received from the Deputy Judge Advocate General, Military Justice and Administrative Law, the following answer about the compensation regime for a woman who happened about to have been the victim of a sexual offence. I quote the report that we received at our request, on November 25, 2005:

> With respect to a Canadian Forces policy on the compensation of victims of crime committed in the context of the Canadian Forces, while a formal policy does not exist, there are two mechanisms by which members may seek compensation in such cases.
>
> First, the victim of a crime can pursue a claim against the Crown to receive compensation for any damages suffered as a result of that crime. In such cases, the liability of the Crown will be assessed on a case-by-case basis and a determination made on the payment of damages.
>
> Second, members and former members of the Canadian Forces who have been the victim of a crime, and who, as a result of the incident, suffered a mental or physical disability, as defined in the Pension Act, may be eligible to receive a disability pension under the Pension Act. It should be noted that the Pension Act is administered by Veterans Affairs Canada and not the Department of National Defence....

The Hon. the Speaker *pro tempore***:** Your time has expired. Can the honourable senator have five more minutes?

Hon. Senators: Agreed.

Senator Joyal: Thank you, your honour and honourable senators.

> ...and therefore it is Veterans Affairs Canada who determines when an individual is eligible for a benefit under this act.

In other words, there is no compensation for victims of a sexual offence in the army.

Honourable senators, I think that when we look into the overall objective of increasing the level of the military to 20,000, as was announced by the government, one has to look at the attrition numbers. Who is leaving the army more than anyone else? The numbers show that women leave the army in greater numbers. You ask why? Women leave the army because it is a man's world. Women are harassed more than any other soldier, and women who take the risk of lodging a complaint of sexual harassment have a slippery slope to climb.

We asked the witnesses how many persons were found guilty and we learned that 17 soldiers have been found guilty since 2000.

If you want to know, honourable senators, what we are talking about, here is some information on sexual harassment in the forces. On November 15, 2001, a corporal exposed his genitals to a female corporal. On January 22, 2002, a private with the intention of offending a private exposed his genitals to her. On March 9, 2002, a male soldier invited the complainant to accompany him to a washroom and removed all of his clothing in her presence. Honourable senators, you can read more of the details in the report we received from the army.

What I want to tell you, honourable senators, is that it is a very difficult issue. We have to be sensitive to the reputation of the army. The army is now recruiting, and they want to recruit more women than the statistics I gave to you. Only 13 per cent of army personnel are women, and only 1.9 per cent of the women in the army are in combat forces. We want to increase that percentage.

If we want to increase that percentage and be effective, we have to have a system whereby a woman in the army who is the victim of a crime can rely on a compensation system, the same way she can in civilian society.

Honourable senators, I know this is not an issue that attracts a lot of attention, but I think that in such a bill, whereby those two principles are at stake, the Standing Senate Committee on Legal and Constitutional Affairs has to look into that bill with sober second thought. This bill was first introduced in this chamber and not in the other place, on the basis that it was housekeeping. When you brush the floor, or you lift a carpet for housekeeping, sometimes you find things that need a good vacuuming. I feel that this is the case with this bill especially after the lengthy debates of this afternoon. The principles that are at stake in this bill are paramount. They deal with transparency, accountability and equality. I rely on the good attention of honourable senators to proceed with this bill.

• (1710)

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

Hon. Senators: Question!

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

Motion agreed to and bill read second time.

[*Translation*]

REFERRED TO COMMITTEE

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

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

[*English*]

PUBIC HEALTH AGENCY OF CANADA BILL

SECOND READING—DEBATE ADJOURNED

Hon. Wilbert J. Keon moved second reading of Bill C-5, respecting the establishment of the Public Health Agency of Canada and amending certain Acts.

He said: Honourable senators, I am pleased to rise today and speak to Bill C-5.

As honourable senators will be aware, this bill will create in law what already exists through an Order in Council; namely, the Public Health Agency of Canada.

We have seen Bill C-5 before, of course, in the form of Bill C-75. Honourable senators may recall that in November 2005, during the waning days of the last Parliament, the previous government introduced the enabling legislation for the Public Health Agency of Canada, over a year after it actually created the agency. That bill never made it beyond first reading.

This government introduced the bill recently, and we have it before us today because we believe that public health is something that needs to be taken very seriously. Bill C-5 will ensure the agency has the stability it needs in order to continue doing what it has been doing — fulfilling the roles of leadership, innovation and coordination to help promote and protect the health of Canadians.

The bill was examined and debated in the other place. What emerged during the discussions was that there was strong support for strengthening public health in Canada. As the member of Parliament from Yellowhead, Rob Merrifield, told parliamentarians on May 2:

> It is important for us to do everything we possibly can to ensure that we and all Canadians are prepared and this legislation would do all of that and more. This is the beginning of an exciting chapter in the history of Canada and it prepares us well for the 21st century and beyond.

Not only is there support for strengthening public health, there is also a view that it is time for the federal government to step up to the plate. Ottawa must work with the provinces, the territories and other agencies to ensure that the public health needs of all Canadians are properly met.

Health Minister Tony Clement pointed to this need when he described his experiences during the SARS outbreak to the House of Commons Standing Committee on Health, on May 11.

> It was very difficult at the time to get a coordinated national response. ...there were lots of cases where there were individuals who were persons that we were afraid were infected with SARS who were travelling to family and friends in other provinces. I remember a distinct conversation I had with Monsieur Legault, who was in the middle of a provincial election as Quebec health minister. He had to stop his campaigning because we were afraid that a particular person who might have been infected with SARS visited family in Montreal. That's the worst phone call a provincial health minister can get from a federal health minister: "By the way, you might have a SARS case in our own province."

The minister went on to say:

> I think we learned a lot from that experience, both on the provincial side and on the federal side. Having this statutory authority will allow us to do the jobs that these individuals can do for us with the right authority to do so.

Following the SARS outbreak in 2003, three reports were released — I had the privilege of participating in two of the three reports — one completed by the National Advisory Committee on Severe Acute Respiratory Syndrome and Public Health, which was headed by Dr. David Naylor — the Naylor report — and another by the Senate Standing Committee on Social Affairs, Science and Technology, chaired by our colleague Senator Kirby — the Kirby report. The third was an Ontario report chaired by Dean Walker from Queen's University. These reports recommended creating a federal focal point to address public health issues — a Canadian public health agency with a chief public officer for Canada.

On September 24, 2004, the previous government took the step of establishing the Public Health Agency of Canada, and naming Dr. David Butler-Jones as Canada's Chief Public Health Officer. Circumstances produced a delay in the necessary legislation that we now have in the form of Bill C-5.

In addition to calling for federal leadership, the report also emphasized that understanding, prevention and managing chronic and infectious diseases, as well as promoting basic good health, were the keys to encouraging a healthier population and reducing pressure on our health care system.

This was echoed at the Standing Senate Committee on Social Affairs, Science and Technology last November in the context of studying Canada's preparedness for a pandemic, a hearing which I chaired. Dr. Joel Kettner, the Chief Medical Health Officer for Manitoba Health, told us at the time:

> In the first level of preparedness of the population, we now understand the importance of a healthy living strategy. It is not just a superficial aspect of educating persons on how to eat healthier or be more physically active, but addressing the underlying determinants of health and the environmental conditions that enable it. As well, there is an understanding of people and their mental health promotion and motivation to take care of themselves and their families.

Dr. Arlene King, a director from the Public Health Agency of Canada, further emphasized this point, arguing:

> We need to have a robust public health system there every day to deal with the day-to-day challenges and all emergencies and issues that come forward such as pandemic influenza.

What emerged from that meeting was the need to strengthen our overall public health system. This would enable us to deal with another SARS, a possible pandemic, or any other health-related emergency that might come our way.

The fact is we need to be prepared for what lies ahead. I am pleased to say that our government is doing all that it can to ensure that we are in that state of readiness.

Honourable senators, I point to the strong support for public health demonstrated in the first budget tabled by this government last month. Some $1 billion over five years was earmarked to improved pandemic preparedness. This initiative received strong support from the medical community, including the Canadian Medical Association whose president, Ruth Collins-Nakai, described it as "...the budget highlight for the CMA."

The budget also included $52 million a year for the Canadian Strategy for Cancer Control. It showed that the government would be investing in the determinants of health, with a $500 tax credit for physical fitness programs for children, a tax credit for public transit, $800 million for affordable housing, and $450 million to improve our water quality and education on the reserves. This is funding that will produce real results in Canada.

It does take more than dollars to build a strong and secure public health system. Public health concerns all levels of government. It involves various agencies working in the area of health. It touches organizations around the world. By working together effectively and cooperatively within this country, we can help protect and promote the health of all Canadians.

• (1720)

Honourable senators, Bill C-5 is focused on solidifying just that kind of cooperation. The preamble of the bill states the Government of Canada "wishes to promote cooperation and consultation in the field of public health with provincial and territorial governments..."

It goes on to say that it also "wishes to foster cooperation in that field with foreign governments and international organizations, as well as other interested persons or organizations."

In other words, Canada will do its share to promote global good health and construct the global safety net to prevent pandemics.

The bill itself contains three key elements that will help to strengthen this nation's public health system.

First, it establishes the public health agency of Canada as a departmental entity separate from Health Canada but still part of the health portfolio.

Honourable senators will recall that this model was recommended by the special reports. As the Senate committee reported, this model offers sufficient flexibility to allow for the development of a cooperative working relationship between the new agencies, other levels of government and the various professions involved in health protection.

In this departmental model, the agency becomes a key player in our federal system, able to help inform and shape public policy. This structure allows the agency to work more seamlessly with other federal departments in support of a coordinated and integrated approach to addressing public health issues and emergencies.

Secondly, this bill creates the position of the chief public health officer, as deputy head to the minister of the agency. This officer is accountable to the Minister of Health on the daily operations of the agency and advises the minister on public health matters. The chief public health officer is also required to table in each House of Parliament an annual report on the state of public health in Canada.

This officer is also Canada's lead public health professional. The officer will have authority to communicate directly with Canadians and to prepare and publish reports on any public health issue. The officer is required to have demonstrated expertise and experience in the field, which gives the credibility needed to engage governments, organizations, and the people of Canada.

I am pleased that the person who currently holds the position, Dr. David Butler-Jones, is exceedingly well qualified and up to the task being asked of him.

Thirdly, the bill creates the specific regulation-making authorities that enable the collection, management and protection of health information. This capability will ensure that the agency gets the health information it needs to fulfil its mandate. Regulation-making authorities will set up parameters around information gathering and use its compliance with the Canadian Charter of Rights and Freedoms and the Privacy Act and be consistent with federal, provincial and territorial privacy laws.

If the SARS experience taught us anything, it was that access to timely and accurate information is crucial. This aspect of the bill will help ensure that access to information will happen.

Honourable senators, this bill is a critical part of the ongoing improvement that this government will make to strengthen our nation's public health system. Passing this legislation will ensure that the chief public health officer is an independent, credible voice on public health. It is something that I felt our country needed for a long time, since we have not had the equivalent of a Surgeon General. It gives greater visibility to the issues and threats that will inevitably arise in the area of public health and is a crucial step in strengthening our public health and health care systems.

Passing this legislation will also support the Public Health Agency of Canada as it continues to promote and protect the health of Canadians through the leadership it provides and has provided since it was first created.

I urge the chamber to act quickly and support the passage of this bill.

On motion of Senator Fraser, debate adjourned.

[*Translation*]

BUSINESS OF THE SENATE

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, with leave of the Senate, I request that Item No. 16 on the Order Paper be called, which is a public bill, Bill S-218, in the name of Senator Tkachuk.

[*English*]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY IMPACT OF CANADA'S AGING POPULATION

Leave having been given to revert to Notices of Motion:

Hon Sharon Carstairs: Honourable senators, I give notice that I will move:

> That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to examine and report on the impact on our Canadian society of our aging population in particular the impact on seniors. The study will include:
>
> (*a*) the range of public services now provided to seniors;
>
> (*b*) the gaps which currently exist in these services;
>
> (*c*) the implications for both service delivery systems and costs as the number of people eligible for these services increases as a percentage of the population;
>
> That as a result of this examination the Committee recommend policy changes which need to be made now by the government so that the required services will be available to seniors for the foreseeable future;
>
> That the Committee review strategies other OECD countries have adopted to deal with the issue of caring for their aging population, as well as Canada's obligations in light of the 2002 Madrid International Plan of Action on Aging;
>
> That the Committee consider the full range of services involved in caring for seniors including, but not limited to, the following:
>
> a. All aspects of health care, including home care, institutional-based care, mental health services, prescription drug services, chronic care diseases, palliative care;
>
> b. Health promotion;
>
> c. Injury prevention;
>
> d. Income support;
>
> e. Housing;
>
> f. Transportation
>
> g. Ways to help seniors live a fulfilling existence;
>
> And that the Committee present its final report to the Senate no later than December 31, 2007.

STATE IMMUNITY ACT CRIMINAL CODE

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. David Tkachuk moved second reading of Bill S-218, to amend the State Immunity Act and the Criminal Code (civil remedies for victims of terrorism).—(*Honourable Senator Tkachuk*)

He said: Honourable senators, I rise today to speak to Bill S-218, to amend the State Immunity Act, as well as making important and essential amendments to the criminal code to enable victims of terrorism to be awarded civil remedies.

I am sorry I have to give this speech today rather than yesterday. I was on the schedule for yesterday, but due to unforeseen circumstances, I was not able to be here. Senator Grafstein was to second the bill. I wanted honourable senators to know because he and I discussed it. He will speak on it at the next sitting of the legislature.

I do not think I could start better than by quoting David Hayer, a member of the B.C. Legislative Assembly and Parliamentary Secretary for Multiculturalism and Immigration.

• (1730)

Mr. Hayer's father, due to testify on the Air India matter, was killed by an act of terrorism. In an article in the *National Post*, Mr. Hayer wrote:

> This insidious cancer that is terrorism is all pervasive. No matter where we live, no matter our nationality, it touches us all in varying degrees of tragedy.
>
> And like cancer, so far there is no cure.

Many honourable senators will recall that during the last session of Parliament, I presented Bill S-35 on May 18, 2005, which also made amendments to the State Immunity Act and the Criminal Code, arising from my commitment to do what I can to recognize and assist victims of terrorism.

Bill S-218 is an important improvement upon Bill S-35. Like Bill S-35, amending the State Immunity Act as soon as possible will help to fulfil the commitment Canada has already made and signed on February 15, 2002. Through UN Security Council resolution 1373, Canada ratified and agreed to comply with its commitment to the International Convention for the Suppression of the Financing of Terrorism. This UN Security Council resolution reaffirms that international terrorism constitutes a threat to international peace and security and the importance of

the need to combat, by all means, in accordance with the Charter of the United Nations, threats to international peace and security caused by terrorist acts.

Further, Article 2 of the convention obligates Canada, as a signatory, to take the necessary measures against any person that, by any means, directly or indirectly, unlawfully and wilfully, provides or collects funds with an intention that they should be used or in the knowledge that they are to be used in full or in part in order to carry out offences under the convention.

All signatories to the convention are obligated to take all practicable measures to prohibit in their territories illegal activities of persons and organizations that knowingly encourage, instigate, organize or engage in the commission of offences as set forth in the convention.

The second essential component of the bill recognizes the ability for courts to rule on civil remedies in the case of terrorist acts and the resulting impact on victims. This requires making a change to the Criminal Code of Canada similar to an existing provision for claims in the case of a wrongful death, which makes sense.

If someone can be criminally liable, they should also be civilly liable. Bill S-218 will allow civil claims against foreign states which sponsor terrorist entities, something that also will then ensure Canada is complying with its international commitments. In doing so, this bill creates an important tool for Canadians who have been victims of terrorist acts.

This proposed legislation is driven by the fact that Article 5 of the UN convention states that liability under the convention may be criminal, civil or administrative. In addition, Article 5 states that each state party shall ensure that legal entities liable in accordance with provisions of the convention are subject to effective, proportionate and dissuasive criminal, civil or administrative sanctions that may include monetary sanctions. Bill S-218 takes Canada's commitment and enacts it within our legal system.

Honourable senators, Bill S-218 provides an instrument for families who lost loved ones on September 11. The incredible losses suffered by so many in the United States often overshadow Canada's own tragic losses during 9/11 when 25 Canadians were killed. Their families would, under this bill, be allowed to pursue the attackers civilly. My legislation is written in such a way that judges ruling on cases that have occurred in the past would also be able to acknowledge this as a legal avenue.

In June 1985, 331 people died following the crash of Air India flight 182. There were 154 Canadians on that flight whose families to this day have still not seen justice on what is still the most horrific terrorist attack against Canadians. Although, today, symbolically and properly, the inquiry announced by Prime Minister Stephen Harper into the Air India tragedy began its work.

Honourable senators, terrorism has many components. It requires planning, staging and people and, most important, it requires money. In its 2005 annual report, the Financial Transactions and Reports Analysis Centre of Canada identified over $180 million in transactions that were thought to be linked to terrorist activity.

Amending the State Immunity Act, which was first enacted in 1982, will protect Canadians both at home and abroad who may fall victims to terrorism. The premise behind the amendments is that many terrorist groups are linked to foreign state sponsors. This means that these states utilize their vast sovereign powers and resources to finance and sponsor acts of terrorism such as hijacking, kidnapping, bombing extradition, killing or military attacks directed at innocent citizens. In addition, these states harbour terrorist groups and permit them to openly recruit and train new ones often with state resources.

Currently, under the State Immunity Act, Canadian victims of terrorism and their families have little or no recourse against these state sponsors. By amending the State Immunity Act, we will give the victims and their families an opportunity to fight back, an opportunity to obtain some measure of justice and closure for their lives.

Historically, some states granted foreign states absolute immunity from civil suits. However, with the increase in transnational commercial activity, this blanket immunity changed. Canada's State Immunity Act allows civil suits in respect of commercial activities of foreign states. This permits Canadians to bring claims in Canada against foreign states for breach of contract, and other breaches of commercial duties, thereby decreasing a foreign state's immunity in this area.

The amendment to the State Immunity Act that is being put forward in Bill S-218 is also designed to act as a deterrent to state-sponsored terrorists by instilling in them the need to balance the benefits of sponsorship against the fear of large monetary liability judgments.

Currently, foreign states escape civil liability for their sponsorship of terrorism, but are liable for redress for a breach of a commercial contract under the State Immunity Act. It only makes sense that this act be amended to reflect the dangers and violent troubles of the world in which we now live.

When the Canadian government became aware of the damages that Canadians face through the breach of commercial contracts, it ensured that the State Immunity Act did not include absolute immunity with regard to commercial activities. The same must be done to combat the state-sponsored terrorism that exists today to prevent foreign states that engage in terrorist activity from claiming immunity from the jurisdiction of the Canadian courts. This is an important principle because it permits Canadian courts to obtain both subject matter and personal jurisdiction over foreign states that sponsor terrorist activity. Therefore, foreign states would be made accountable for their actions and would not be able to shield themselves from liability and civil suits through the cloak of the State Immunity Act.

I hope that by making a foreign state accountable and financially liable for its actions taken in support of terrorism the passage of this amendment will give pause to traditional state sponsors of terrorism.

Bill S-218 also makes the following important additions: First, the limitation period with respect to terrorist attacks would not run while the victim is incapable of commencing a proceeding due to his physical, mental or psychological condition or is unaware

of the identity of those responsible; second, any court of competent jurisdiction would give full faith and credit to a judgment of any foreign court in favour of a person who has suffered loss or damage from terrorist activity which is prohibited under the Criminal Code.

Bill S-218 also responds to the Government of Canada report of February 12, 2004, in its response to the Counterterrorism Committee of the United Nations Security Council that, to date, Canada has not taken any specific judicial action against a non-profit based or alleged or suspected involvement in the financing of terror.

Our government is only too aware of the increase in terrorist activity globally and within our borders. In its report to the Security Council, the Government of Canada reported that FINTRAC had received a total of 17,197 suspicious transaction reports between 2001 and 2003. In April 2002, Canada reported to the Security Council that Canadian financial institutions had frozen $360,000 of suspected terrorist assets in 20 accounts. FINTRAC's 2004 annual report, however, reported $70 million in transactions suspected of being linked to terrorist activity financing and threats to the security of Canada. As I mentioned earlier, this amount has doubled in the most recent annual report. FINTRAC has traced up to $180 million in funds linked to terrorism between 2004 and 2005.

• (1740)

While the proposed legislation is intended to enable victims to fight back, the definition of "victims" needs to be clarified. The proposed amendment sets out in law who victims are, that they are not only those killed or injured by terrorism, but also family members directly impacted by such acts. Victims would include those who were physically, emotionally or psychologically injured by the terrorist acts and their family members.

In the past, the Government of Canada has acknowledged that there is no civil liability in tort for criminal offences related specifically to terrorism. Therefore, this needs to be rectified through an amendment to the Criminal Code. I must reiterate an important rationale for my proposed legislation. Canada has already made an international commitment by signing the 1999 International Convention for the Suppression of Terrorist Financing and the UN Declaration on Measures to Eliminate International Terrorism. In both the convention and the declaration, the language is clear; it encourages states to review urgently the scope of existing international legal provisions on the prevention, repression and elimination of terrorism with the aim of ensuring that there is a comprehensive legal framework covering all aspects of the matter. Bill S-218 would enact Canada's commitment.

When I spoke to Bill S-35 in the last Parliament, I referred to Maureen and Erica Basnicki, the wife and daughter of Ken Basnicki of Toronto, who was among those killed in the attacks on the World Trade Center and Ron Goldberg, whose brother was killed by a Palestinian suicide bomber two years ago in Israel. These and too many other individuals were either killed in terrorist acts or were left behind by those who were killed in these attacks. All of these individuals are victims who should have at their disposal the legal tools to enable them to take action against the attackers and the attacks they have suffered.

I have said in the past that many Canadians believe that terrorism is something that happens elsewhere, to someone else, and that Canada is insulated from terrorism. Many Canadians no longer believe that, which makes our task all the more urgent, appropriate and timely with respect to Bill S-218 and all proposed legislation dealing with global terrorism.

The war we are fighting today is not between trained members of different militia representing different nations who have exhausted all other means of negotiation. The war being fought today is against our civilians, who individually stand no chance against terrorists sponsored by their states. The shameful and merciless tactics of terrorists not only attack innocent civilians, but also our very way of life, with only the intent to destroy. The proposed legislation enables a levelling of the asymmetric playing field between terrorists and civilians. Canadian legislators have a responsibility to deal with terrorists within our borders and also to send the strong message to those working in other nations who wish to harm the citizens within our borders.

Honourable senators, we are unwillingly caught fighting an unconventional war that we must fight. On behalf of civilians worldwide who are the focus and preferred target of terrorists, and the civil society we hold so dearly, we must respond and fulfil our commitments to the United Nations and to our citizens. Terrorism threatens our democracy and way of life, but we can fight back by attacking the means of support and the financing of terror.

Financing and supporting terrorism in any way are crimes under international law and are not entitled to immunity when claimed to be a sovereign act of state. We have every right and, I dare say, an urgent need to implement the amendments found in Bill S-218.

In the name of our families and future generations, in the name of those who are fighting on behalf of Canada today and those who have already fought and lost so much to this global threat, and finally in the name of our own beliefs, I ask honourable senators to study Bill S-218 further and come to the same conclusion that I have reached, that Bill S-218 should become law as one strike against terrorism and the threat of terrorism.

Hon. Daniel Hays (Leader of the Opposition): Would the honourable senator take a question?

Senator Tkachuk: Yes.

Senator Hays: I was reading the bill as the honourable senator was speaking and I should like to know the genesis of the bill. I believe that the honourable senator explained the incident as an illustration of what he thought was an injustice and the rationale of the time that we live in where terrorist acts have become a plague that we have to address.

My question concerns the enforcement of judgments. Clause 83.34(3) of the bill purports to deal with this by saying that any court of competent jurisdiction shall give full faith and credit to a judgment of any foreign court in favour of a person who has suffered loss or damage as a result of conduct contrary to any provision of this Part.

Could the honourable senator comment on the enforcement of judgments that plaintiffs obtain in Canada as a result of a terrorist act as defined in accordance with this measure? Would a judgment be subject to the Reciprocal Enforcement of Judgments Act with the country where the immunity is suspended? How would that work? Enforcing a judgment against a country could be difficult. There may be assets within Canada that could be seized. Perhaps the honourable senator and the drafters of the bill have that in mind.

Senator Tkachuk: A judgment could be enforced against states that have money in Canada. If the money is elsewhere, it would be more difficult. In the United States, when a judgment is found, the assets of that country within the United States can be frozen or seized. It is my view that the same thing could happen in Canada.

Senator Hays: Is the honourable senator referring to the Alien Torts Act in the United States, which is not confined to terrorism, but to torts generally?

Senator Tkachuk: As victims of terrorism, Americans can sue foreign governments.

Senator Hays: This item will be on the agenda and I will investigate further. I will ask Senator Grafstein a few questions as well because I believe this matter will be adjourned in his name.

Hon. Marcel Prud'homme: Honourable senators, Bill S-218 looks short, but it is of immense importance. Am I correct in my understanding that there would be no statute of limitations? Would the scope of the bill be retroactive or would it take effect as of the date that the bill passes?

Senator Tkachuk: Retroactivity is to move backward, but this bill is retrospective. That means that a judge would have the right to decide whether the suit initiator in a case stemming from the events of 9/11, for example, has the right to do so. That determination would be made by a judge and is not automatic in the proposed legislation.

Senator Prud'homme: I was shocked recently to learn that a certain group wants to sue Mr. Henry Kissinger for committing war crimes.

He does not go to Paris because he is afraid that he will be subpoenaed at the airport when he arrives.

• (1750)

People have asked me how to proceed. I was totally surprised when they spoke about the actions of the Chilean government, considered a terrorist regime under Pinochet, where, most likely, Secretary Kissinger was involved.

I am trying to get away from the honourable senator's example of the Middle East. I will not talk about these people. I will choose another example of people who have been following over the last two months our activities in the Senate much more than they are following the activities of the House of Commons. It concerns the same person having been involved in war crimes and terrorism, according to them, perpetrated in Cambodia and Laos. This goes back a long time. These acts, considered in some countries as almost state terrorism, were perpetrated by people who are still alive and living in the United States.

Before I was excluded from running for the IPU, I had the honour of being elected internationally to preside over the political committee of the IPU. I never missed being chairman of the political committee, studying all the matters that no one wanted to touch, one of which was terrorism. Parliamentarians could never agree on a good definition of terrorism.

The honourable senator will see that he has opened up the avenues of good consultation and debate. I am sure that during the debate these questions will come up. If the debate reaches the committee level, we will hear from witnesses. In the meantime, I will not push my question. The honourable senator has opened up unforeseeable avenues.

Senator Tkachuk: What was the question? Or was it just a comment?

Senator Prud'homme: You could comment on my comment.

The Hon. the Speaker: Further debate?

On motion of Senator Fraser, debate adjourned.

STATUTES REPEAL BILL

THIRD READING

Hon. Tommy Banks moved third reading of Bill S-202, to repeal legislation that has not come into force within ten years of receiving royal assent, as amended.—(*Honourable Senator Banks*)

He said: Honourable senators, I rise to speak only so that the record shows that at some point I said something about this bill other than that I moved second reading of the bill.

It is a great pleasure to move third reading of the bill, which I have brought to senators' attention and have stood here and discussed many times. I want to express my appreciation for the great assistance I have received, to this point, from senators on all sides in making the bill more efficacious, I hope, than it was in its original form. I urge that honourable senators support passage of this bill at third reading.

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

Hon. Senators: Question!

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

Hon. Senators: Agreed.

Hon. Gerald J. Comeau (Deputy Leader of the Government): Hold on. Senator Segal had wanted to speak to this bill.

The Hon. the Speaker: I am afraid the chair asked for the question and senators said "question," so I put the question.

Senator Comeau: My intention was drawn away for a moment.

Senator Prud'homme: I am responsible.

Motion agreed to and bill, as amended, read third time and passed.

[*Translation*]

ROYAL ASSENT

The Hon. the Speaker informed the Senate that the following communication had been received:

RIDEAU HALL

June 22, 2006

Mr. Speaker,

I have the honour to inform you that the Honourable Rosalie Silberman Abella, Puisne Judge of the Supreme Court of Canada, in her capacity as Deputy of the Governor General, signified royal assent by written declaration to the bills listed in the Schedule to this letter on the 22nd day of June, 2006, at 5:36 p.m.

Yours sincerely,

JoAnn MacKenzie
Secretary to the Governor General

The Honourable
The Speaker of the Senate
Ottawa

Bills Assented to Thursday, June 22, 2006

An Act to amend the Agricultural Marketing Programs Act (*Bill C-15, Chapter 3, 2006*)

An Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006 (*Bill C-13, Chapter 4, 2006*)

[*English*]

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, I see it is close to 6 p.m. What is the will of the house? Shall I leave the chair, to return at 8 p.m.?

Hon. Gerald J. Comeau (Deputy Leader of the Government): We suggest, Your Honour, that you not see the clock.

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

Hon. Senators: Agreed.

PUBLIC SERVICE EMPLOYMENT ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Ringuette, seconded by the Honourable Senator Moore, for the second reading of Bill S-201, to amend the Public Service Employment Act (elimination of bureaucratic patronage and geographic criteria in appointment processes).—(*Honourable Senator Oliver*)

Hon. Joan Fraser (Deputy Leader of the Opposition): Question?

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

Hon. Senators: Question!

The Hon. the Speaker: It was moved by the Honourable Senator Ringuette, seconded by the Honourable Senator Moore, that this bill be read a second time. Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: Agreed.

Some Hon. Senators: On division.

Motion agreed to and bill read second time, on division.

REFERRED TO COMMITTEE

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

On motion of Senator Ringuette, bill referred to the Standing Senate Committee on National Finance.

● (1800)

LIBRARY OF PARLIAMENT

FIRST REPORT OF JOINT COMMITTEE ADOPTED

The Senate proceeded to consideration of the first report of the Standing Joint Committee on the Library of Parliament (mandate of the committee and quorum), presented in the Senate on June 13, 2006.—(*Honourable Senator Trenholme Counsell*)

Hon. Marilyn Trenholme Counsell moved that the report be adopted now.

Motion agreed to and report adopted.

[*Translation*]

STUDY ON CURRENT STATE OF MEDIA INDUSTRIES

REPORT OF TRANSPORT AND COMMUNICATIONS COMMITTEE ADOPTED

The Senate proceeded to consideration of the second report of the Standing Senate Committee on Transport and

Communications, entitled *Final Report on the Canadian News Media*, presented in the Senate on June 21, 2006.—(*Honourable Senator Bacon*)

Hon. Lise Bacon moved the adoption of the report.

Motion agreed to and report adopted.

[*English*]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

BUDGET AND ENGAGE SERVICES— STUDY ON STATE OF HEALTH CARE SYSTEM— REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the fifth report of the Standing Senate Committee on Social Affairs, Science and Technology, (budget—study on state of health care system—power to hire staff) presented in the Senate earlier this day.

Hon. Wilbert J. Keon moved adoption of the report.

Motion agreed to and report adopted.

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

BUDGET AND ENGAGE SERVICES—STUDY ON CANADIAN ENVIRONMENTAL PROTECTION ACT— REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the second report of the Standing Senate Committee on Energy, the Environment and Natural Resources (budget—study on Canadian Environmental Protection Act—power to hire staff), presented in the Senate earlier this day.

Hon. Tommy Banks moved the adoption of the report.

Motion agreed to and report adopted.

[*Translation*]

TRANSPORT AND COMMUNICATIONS

BUDGET AND ENGAGE SERVICES— STUDY ON CURRENT STATE OF MEDIA INDUSTRIES— REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the third report of the Standing Senate Committee on Transport and Communications (*budget—study on The Canadian News Media—power to hire staff*) presented in the Senate earlier this day.—(*Honourable Senator Bacon*)

Hon. Lise Bacon moved adoption of the report.

Motion agreed to and report adopted.

[*English*]

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

FIFTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the fifth report of the Standing Committee on Internal Economy, Budgets and Administration (budgets of certain committees), presented in the Senate earlier this day.

Hon. George J. Furey moved the adoption of the report.

Motion agreed to and report adopted.

HUMAN RIGHTS

BUDGET AND ENGAGE SERVICES—STUDY ON LEGAL ISSUES AFFECTING ON-RESERVE MATRIMONIAL REAL PROPERTY ON BREAKDOWN OF MARRIAGE OR COMMON LAW RELATIONSHIP— REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the third report of the Standing Senate Committee on Human Rights (budget—study on legal issues affecting on-reserve matrimonial real property on breakdown of marriage or common law relationship—power to hire staff), presented in the Senate earlier this day.

Hon. A. Raynell Andreychuk moved the adoption of the report.

Motion agreed to and report adopted.

BUDGET AND ENGAGE SERVICES— STUDY ON ISSUES RELATED TO NATIONAL AND INTERNATIONAL HUMAN RIGHTS OBLIGATIONS—REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the fourth report of the Standing Senate Committee on Human Rights (budget—study on issues related to national and international human rights obligations—power to hire staff), presented in the Senate earlier this day.

Hon. A. Raynell Andreychuk moved the adoption of the report.

Motion agreed to and report adopted.

BUDGET AND ENGAGE SERVICES—STUDY ON CASES OF ALLEGED DISCRIMINATION IN HIRING AND PROMOTION PRACTICES AND EMPLOYMENT EQUITY FOR MINORITY GROUPS IN FEDERAL PUBLIC SERVICE—REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the fifth report of the Standing Senate Committee on Human Rights (budget—study on cases of alleged discrimination in hiring and promotion practices and employment equity for minority groups in federal public service—power to hire staff), presented in the Senate earlier this day.

Hon. A. Raynell Andreychuk moved the adoption of the report.

Motion agreed to and report adopted.

FUNDING FOR TREATMENT OF AUTISM

INQUIRY—REFERRED TO SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE

On the Order:

> Resuming debate on the inquiry of the Honourable Senator Munson calling the attention of the Senate to the issue of funding for the treatment of autism.—(*Honourable Senator Johnson*)

Hon. Wilfred P. Moore: Honourable senators, my colleague Senator Munson could not be here today. He is at his son's graduation.

REFERRED TO COMMITTEE

Hon. Wilfred P. Moore: In the absence of Senator Munson, I move:

> That the Inquiry on the issue of funding for the treatment of autism be referred to the Standing Senate Committee on Social Affairs, Science and Technology for study and report; and
>
> That the committee submit its final report no later than November 30, 2006.

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

Hon. Senators: Agreed.

Motion agreed to.

CRIMINAL CODE

BILL TO AMEND—SECOND READING— DEBATE CONTINUED

Leave having been given to revert to Other Business, Senate Public Bills Item No. 15:

On the Order:

> Resuming debate on the motion of the Honourable Senator Hervieux-Payette, P.C., seconded by the Honourable Senator Rompkey, P.C., for the second reading of Bill S-207, to amend the Criminal Code (protection of children).—(*Honourable Senator Comeau*)

Hon. Ethel Cochrane: Honourable senators, I rise to speak to Bill S-207, a bill introduced by Senator Hervieux-Payette regarding the protection of children. This bill was before us in the last parliament as Bill S-21 and was being studied by the Standing Senate Committee on Legal and Constitutional Affairs when the government fell. It is also the ninth time that a piece of legislation dealing with protection of children has been introduced in this way.

Svend Robinson sponsored the first bill in the other place in 1994. Honourable senators may recall that Senator Carstairs introduced a similar bill, Bill S-14, in 1996. All of these bills were the initiative of individual parliamentarians, either private or public bills. Until Senator Hervieux-Payette's bill was discussed at committee last spring, none of these bills made it beyond second reading, indicating a lack of government support.

Bill S-207 is straightforward. It contains only two clauses. The first clause repeals Section 43 of the Criminal Code. The second clause specifies that the act would come to force one year after the day it receives Royal Assent.

Senator Hervieux-Payette believes, as do others, that the only way "to pursue the fight against physical violence against children" is to remove this particular section of the criminal code.

While I applaud the fundamental intention of the bill, I respectfully disagree with this approach. I do not condone violence against children. The Conservative Party of Canada does not condone violence against children, either. Frankly, honourable senators, I believe all of us would stand together in a universal declaration that violence against children is wrong. However, violence is not what is being discussed here.

Let us look for a moment at section 43 of the Criminal Code.

• (1810)

This is what it states:

> Every schoolteacher, parent, or person standing in the place of a parent, is justified in using force by way of correction toward a pupil or child, as the case may be, who is under his care, if the force does not exceed what is reasonable under the circumstances.

Section 43 creates a defence against a charge of assault, or the non-consensual application of force to another person. Bill S-207 would remove that defence. The effect would be that using force would become an illegal or criminal activity. The crux of this section is the use of non-consensual force to correct behaviour in a child. Senator Hervieux-Payette used a strong definition of "correct" that came from Webster's Dictionary. Let me offer one that comes from the Concise Oxford Dictionary, which defines "correct" as "to set right, admonish."

In her speech, the honourable senator equated the word "correct" with "corporal punishment." I believe this is unfair, as I think we can all agree that the meaning of the word "correct" has a much broader application.

As honourable senators are aware, the matter of whether this section of the Criminal Code is constitutional or not was decided by the Supreme Court of Canada in January 2004. The section was challenged on whether it failed to give procedural protection to children; did not further the interests of children; was unconstitutionally vague; constituted cruel and unusual punishment; and violated children's equality with adults.

The short answer provided by the highest court in the land was that the law does not violate the Charter on any of these points. Specifically, the Supreme Court decision found that this section ensures that the Criminal Code does, in fact, apply in cases where there is any use of force that harms a child.

Honourable senators, while I do not want to outline all of the arguments from a 64-page decision, I would like to quote several key passages that deal with some of the questions raised. On the matter of the supposed vague wording of "reasonable under the circumstances," the court stated:

> While the words "reasonable under the circumstances" on their face are broad, implicit limitations add precision. Section 43 does not extend to an application of force that results in harm or the prospect of harm. Determining what is "reasonable under the circumstances" in the case of child discipline is assisted by Canada's international treaty obligations, the circumstances in which the discipline occurs, social consensus, expert evidence and judicial interpretation.

Honourable senators, the court further explained that

> When these considerations are taken together, a solid core of meaning emerges for "reasonable under the circumstances..."

On the matter of children's equality with adults, the court stated:

> While children need a safe environment, they also depend on parents and teachers for guidance and discipline to protect them from harm and to promote their healthy development within society. Section 43 is Parliament's attempt to accommodate both of these needs. It provides parents and teachers with the ability to carry out the reasonable education of the child without the threat of sanction by the criminal law.

Furthermore, the court explained the following, which is crucial to the balance that must be established by our laws:

> Without section 43, Canada's broad assault law would criminalize force falling far short of what we think of as corporal punishment. The decision not to criminalize such conduct is not grounded in devaluation of the child, but in a concern that to do so risks ruining lives and breaking up families

These risks, if realized, create a burden that falls on the shoulders of children and, said the court, "outweigh any benefit derived from applying the criminal process."

Just to remind honourable senators about how broad Canada's assault law is, I would like to point to section 265(1) of the Criminal Code. It states:

> A person commits an assault when
>
> (*a*) without the consent of another person, he applies force intentionally to that other person, directly or indirectly;
>
> (*b*) he attempts or threatens, by an act or a gesture, to apply force to another person, if he has, or causes that other person to believe on reasonable grounds that he has, present ability to effect his purpose; or
>
> (*c*) while openly wearing or carrying a weapon or an imitation thereof, he accosts or impedes another person or begs.

Using this definition, it is quite conceivable that directing a non-compliant child to take a time out, or buckling a child into a car seat who does not want to be buckled in, could be considered assault.

In its decision, the Supreme Court clarified the less precise parts of section 43. It deemed that correction must not be the result of the caregiver's frustration, loss of temper or abusive personality; correction must not be punitive and must not focus on the gravity of the child's wrongdoing; the child must not be incapable of learning because of disability or some other contextual factor; force must not be used against a child under two years or over 12 years of age; force must not involve the use of objects or slaps or blows to the head; or force must not cause bodily harm or raise a reasonable prospect of bodily harm and be of a minor, transitory and trifling nature.

In this majority decision, the Supreme Court dealt very clearly with a matter that had been winding its way through our legal system since 1998.

However, Senator Hervieux-Payette did not agree. In her speech on May 11, 2006, she stated:

> The majority of the justices made a discriminatory decision that only children aged two to 12 could be subjected to corporal punishment, even though such actions would be considered assault for the rest of the population. As legislators, we cannot give others the power to decide what is force does not exceed what is reasonable under the circumstances.

I would hardly call the Supreme Court's decision discriminatory. I would also disagree that equating "correction" with "corporal punishment," as I mentioned before, is correct.

Let us look at what the court has said about corporal punishment, specifically as relates to teachers:

> Contemporary social consensus is that, while teachers may sometimes use corrective force to remove children from classrooms or secure compliance with instructions, the use of corporal punishment by teachers is not acceptable. Many school boards forbid the use of corporal punishment and some provinces and territories have legislatively prohibited its use by teachers.

In fact, the Canadian Teachers' Federation opposes the use of corporal punishment. It does, however, support the retention of section 43, because, as stated on its website:

> It provides a shield to various classes of persons, including teachers, when the use of force by way of correction is justified.

The Canadian Teachers' Federation further states:

> Section 43 remains an essential protection for both students and teachers because it does not apply exclusively to corporal punishment, which the Canadian Teachers' Federation opposes.

The CTF lists several incidents of non-corporal punishment that involve the use of force. These are incidents that I know are all too familiar to my fellow teachers. They include protecting students and teachers if a fight occurs, including restraining students if needed; escorting uncooperative students to the principal's office; removing disruptive students who refuse to leave the classroom; placing a young student on a bus who refuses to board that bus, especially when on a field trip — you have to put the child on the bus; what else can you do? Who knows what would happen if you left the child there? It also includes restraining a cognitively impaired student, which I know has happened, and intervening in a difficult situation to prevent it from escalating.

Honourable senators, I believe repealing section 43 of the Criminal Code would be a mistake. It risks criminalizing parents and teachers for engaging in the behaviours I have just described, which could be criminalized.

However, let me turn for a moment to the second clause of this bill, which would see the act come into force one year after it is passed. My understanding of Senator Hervieux-Payette's rationale for this is to ensure that there is adequate time to educate Canadians on alternatives to the use of corporal punishment — not necessarily the use of force, but corporal punishment. I could not agree more on this point. Education is the key. I believe it could motivate real social change.

• (1820)

I have always marvelled at the societal pressure placed on parents to attend prenatal classes. With the utter lack of support for parenting classes, there is almost a sense that only bad parents need parenting classes. One could use that analysis and draw that conclusion.

In truth, giving birth is the easy part. I have had six children myself. I know exactly what is involved in raising a child to adulthood. It is difficult. Any help in this task has value for the child, the family, and society as a whole. I suggest that offering real support to parents in the form of education can make a positive difference in people's lives.

However, possibly criminalizing their behaviour, even if it is unintentional, is a serious mistake in my view.

Hon. Sharon Carstairs: Will the honourable senator take some questions?

It did not surprise me when the Supreme Court of Canada rejected the Charter challenge in this particular case. Quite frankly, children are not covered by the Canadian Charter of Rights and Freedoms. It is perfectly reasonable the court would rule they are not covered by this.

I would like to ask the honourable senator whether she sees a significant difference in a ruling that says you cannot use corporal punishment under the age of 2 and you cannot use it over the age of 12. What is the difference between a child who is 23 months old and a child who is 11 years and 11 months old?

Senator Cochrane: I understand where the honourable senator is coming from. All children, from under the age of 2 to over the age of 12, still have reason not to follow the rules.

I do not know where the Supreme Court in the criminal justice system was coming from when it made that decision. Still, I think there should have been a limit placed at least to the age of 12 and maybe older.

I do not know about under the age of 2. I question that. I think from the age of 2 to a higher age would be more beneficial.

Senator Carstairs: The honourable senator and I agree on that. Frankly, I do not believe in corporal punishment for anyone.

I also ask the honourable senator why she did not recognize in her remarks that everyone has the defence under the common law of necessity. When a teacher must physically move a child out of a classroom, she has the ability to use the defence of necessity. When a parent grabs a child to prevent him or her from running across a street, that parent has the defence of necessity.

The honourable senator uses the argument that if we include this provision, we would do away with parents and teachers being able to use reasonable caution and protection of children. I suggest that is not the case.

More importantly, I suggest this provision used to apply to women, it used to apply to mentally defective children and it used to apply to those who worked as apprentices. Why does it now only apply to children?

Senator Cochrane: I think we are becoming more open to these issues at this time because there have been a lot of cases within the school system and the community whereby this issue of force towards children arises.

It is receiving more publicity, we are more open with it now and there have been more cases brought forward in regards to our police and justice systems. It has been brought more to the forefront now than ever before.

On motion of Senator Comeau, for Senator Cools, debate adjourned.

HEALTH

MOTION URGING GOVERNMENT TO PROVIDE LONG-TERM END-OF-LIFE CARE— DEBATE CONTINUED

On the Order:

> Resuming debate on the motion of the Honourable Senator Carstairs, P.C., seconded by the Honourable Senator Joyal, P.C.:

That

Whereas the federal government has a leadership and coordination role, and a direct service delivery role for certain populations, with regards to palliative and end-of-life care in Canada;

And Whereas only 15 per cent of Canadians have access to integrated, palliative and end-of-life care;

Be It Resolved That the Senate of Canada urge the Government to provide long-term, sustainable funding for the further development of a Canadian Strategy on Palliative and End-of-Life Care which is cross-departmental and cross-jurisdictional, and meets the needs of Canadians; 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 Keon*)

Hon. Wilbert J. Keon: Honourable senators, I want to make a few brief remarks in support of this motion. I have prepared remarks, but because of the hour, I will not burden you with a lengthy dissertation.

I want to recognize the tireless efforts of Senator Carstairs over the past 12 years. I have been associated with her on some of that effort. It began back in 1994 following the Supreme Court decision to uphold prohibition against assisted suicide, and I served on a special committee with the honourable senator on assisted suicide and euthanasia.

We subsequently revisited the issue five years later, in 2000, when we conducted another study that focused specifically on assisted suicide. I think all of us became convinced as a result of the previous study that we had to address a specific study focused on palliative care. We all became convinced the missing link was palliative care.

That document quarterbacked by Senator Carstairs was called *Quality End-of-Life Care: The Right of Every Canadian.*

In 2001, Senator Carstairs was appointed Minister with Special Responsibility for Palliative Care, as well as the adviser to the Minister of Health at the time. This appointment was a result of her tireless efforts in that area.

During the same year, the secretariat on palliative and end-of-life care was created at Health Canada. Through that health care secretariat, a Canadian strategy on palliative care and end-of-life was born and that fit with the report of 2000.

In 2003, the federal government created the Pan-Canadian Health Human Resources Strategy to help support improvements to health human resources planning overall, as well as address the whole matter of recruitment and retention of health care professionals.

Out of that effort came assistance to educating future physicians in palliative care and end-of-life. I think this truly tremendous initiative was felt all across the country.

You are all aware that about a year ago, Senator Carstairs again produced her own report on palliative care entitled *Still Not There — Quality End-of-Life Care: A Progress Report*.

Because the hour is late, I would like to emphasize what a tremendous effort and difference she has made in this field. I ask all honourable senators to support her motion.

On motion of Senator Comeau, debate adjourned.

[*Translation*]

ADJOURNMENT

Leave having been given to revert to Government Notices of Motions:

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, with leave of the Senate, and notwithstanding rule 58(1)(h), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday, June 27, 2006 at 2 p.m.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned to Tuesday, June 27, 2006, at 2 p.m.

THE SENATE OF CANADA
PROGRESS OF LEGISLATION

(*indicates the status of a bill by showing the date on which each stage has been* ***completed***)

(1st Session, 39th Parliament)

Thursday, June 22, 2006

(**Where royal assent is signified by written declaration, the Act is deemed to be assented to on the day on which the two Houses of Parliament have been notified of the declaration.*)

GOVERNMENT BILLS
(SENATE)

No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-2	An Act to amend the Hazardous Materials Information Review Act	06/04/25	06/05/04	Social Affairs, Science and Technology	06/05/18	0	06/05/30		
S-3	An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act	06/04/25	06/06/22	Legal and Constitutional Affairs					
S-4	An Act to amend the Constitution Act, 1867 (Senate tenure)	06/05/30							

GOVERNMENT BILLS
(HOUSE OF COMMONS)

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C-2	An Act providing for conflict of interest rules, restrictions on election financing and measures respecting administrative transparency, oversight and accountability	06/06/22							
C-3	An Act respecting international bridges and tunnels and making a consequential amendment to another Act	06/06/22							
C-4	An Act to amend An Act to amend the Canada Elections Act and the Income Tax Act	06/05/02	06/05/03	Legal and Constitutional Affairs	06/05/04	0	06/05/09	06/05/11	1/06
C-5	An Act respecting the establishment of the Public Health Agency of Canada and amending certain Acts	06/06/20							
C-8	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2007 (*Appropriation Act No. 1, 2006-2007*)	06/05/04	06/05/09	—	—	—	06/05/10	06/05/11	2/06
C-13	An Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006	06/06/06	06/06/13	National Finance	06/06/20	0	06/06/22	06/06/22*	4/06

No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
C-15	An Act to amend the Agricultural Marketing Programs Act	06/06/06	06/06/13	Agriculture and Forestry	06/06/15	0	06/06/20	06/06/22*	3/06

COMMONS PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.

SENATE PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-201	An Act to amend the Public Service Employment Act (elimination of bureaucratic patronage and geographic criteria in appointment processes) (Sen. Ringuette)	06/04/05	06/06/22	National Finance					
S-202	An Act to repeal legislation that has not come into force within ten years of receiving royal assent (Sen. Banks)	06/04/05	06/05/31	Legal and Constitutional Affairs	06/06/15	1	06/06/22		
S-203	An Act to amend the Public Service Employment Act (priority for appointment for veterans) (Sen. Downe)	06/04/05	Dropped from the Order Paper pursuant to Rule 27(3) 06/06/08						
S-204	An Act respecting a National Philanthropy Day (Sen. Grafstein)	06/04/05							
S-205	An Act to amend the Food and Drugs Act (clean drinking water) (Sen. Grafstein)	06/04/05							
S-206	An Act to amend the Criminal Code (suicide bombings) (Sen. Grafstein)	06/04/05							
S-207	An Act to amend the Criminal Code (protection of children) (Sen. Hervieux-Payette, P.C.)	06/04/05							
S-208	An Act to require the Minister of the Environment to establish, in co-operation with the provinces, an agency with the power to identify and protect Canada's watersheds that will constitute sources of drinking water in the future (Sen. Grafstein)	06/04/06							
S-209	An Act concerning personal watercraft in navigable waters (Sen. Spivak)	06/04/25							
S-210	An Act to amend the National Capital Act (establishment and protection of Gatineau Park) (Sen. Spivak)	06/04/25							
S-211	An Act to amend the Criminal Code (lottery schemes) (Sen. Lapointe)	06/04/25	06/05/10	Social Affairs, Science and Technology	06/06/13	0			

No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-212	An Act to amend the Income Tax Act (tax relief) (Sen. Austin, P.C.)	06/04/26	Bill withdrawn pursuant to Speaker's Ruling 06/05/11						
S-213	An Act to amend the Criminal Code (cruelty to animals) (Sen. Bryden)	06/04/26							
S-214	An Act respecting a National Blood Donor Week (Sen. Mercer)	06/05/17							
S-215	An Act to amend the Income Tax Act in order to provide tax relief (Sen. Austin, P.C.)	06/05/17							
S-216	An Act providing for the Crown's recognition of self-governing First Nations of Canada (Sen. St. Germain, P.C.)	06/05/30							
S-217	An Act to amend the Financial Administration Act and the Bank of Canada Act (quarterly financial reports) (Sen. Segal)	06/05/30							
S-218	An Act to amend the State Immunity Act and the Criminal Code (civil remedies for victims of terrorism) (Sen. Tkachuk)	06/06/15							

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