



CANADA

Debates of the Senate

2nd SESSION

•

39th PARLIAMENT

•

VOLUME 144

•

NUMBER 53

OFFICIAL REPORT
(HANSARD)

Tuesday, April 29, 2008



THE HONOURABLE NOËL A. KINSELLA
SPEAKER

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

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

Published by the Senate
Available from PWGSC – Publishing and Depository Services, Ottawa, Ontario K1A 0S5.
Also available on the Internet: <http://www.parl.gc.ca>

THE SENATE

Tuesday, April 29, 2008

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

Prayers.

SENATORS' STATEMENTS

PLIGHT OF BURMESE REFUGEES IN THAILAND

Hon. Nancy Ruth: Honourable senators, I wish to speak about the Burmese refugees in the Thai border camps. The Canadian Friends of Burma and the Parliamentary Friends of Burma, including senators and other Burmese activists in Canada, are raising alarm that rapidly rising food prices have put Burmese refugees in Thailand's refugee camps at risk.

Price increases are posing a crisis for 142,000 refugees in these camps. Rice is the staple food for refugees and humanitarian agencies are facing serious challenges to raise enough funds to feed them. Rice prices in Asia have increased from \$360 a tonne to \$760 a tonne in the last several months and could possibly rise to \$1,000 a tonne.

International agencies supporting the refugee program in Thailand are scrambling to find additional funds. The Thailand Burma Border Consortium, the main humanitarian agency feeding refugees, was in Ottawa two weeks ago meeting with government officials to request an additional \$700,000.

• (1405)

Canada has been a key supporter of the Burmese democracy struggle. The government's position with respect to democracy, human rights and trade has been good. However, Canada also needs to give additional humanitarian assistance. Otherwise, these people can face severe malnutrition and starvation within a matter of weeks, depending on people's coping mechanisms and current health and nutrition status, particularly among vulnerable groups such as children, pregnant and lactating women and the elderly. Many people probably will leave the camps to seek food and to work illegally outside to survive. This necessity makes them extremely vulnerable to abuse and exploitation.

Canada is among 14 countries providing assistance to the Burmese refugees in Thailand. Canada is among the smallest government donors, providing about 2 per cent, \$700,000, of the costs of refugee food program. So far, Spain, Ireland and the Netherlands have announced additional assistance to deal with the price crisis. Let us put Canada's name on that list, too, and, this week, I await the government's response to the global food crisis.

THE HONOURABLE MARIE-P. POULIN

Hon. Jim Munson: Honourable senators, I want to take a minute to talk about a colleague of ours; someone who has made tremendous contributions to Parliament and to this country. That person is Senator Marie Poulin. As you know, Senator Poulin will take some time away from the Senate because of illness, and has resigned as President of the Liberal Party.

Senator Poulin is a person of abundant energy and good will, of optimism and good ideas. She is the kind of person everyone needs on their team and, as senators, we have indeed been lucky to have Senator Poulin on ours. Her accomplishments in broadcasting, government and politics will leave honourable senators breathless. I want to mention a few.

[Translation]

She worked with Radio-Canada to ensure that Franco-Ontarians in the North would have access to radio broadcasting in their own language.

[English]

Senator Poulin represents everything that is good about the institution of the Senate. She represents the North, women and francophones. She ensures that many voices that might otherwise go unheard find a champion on Parliament Hill. She is wise and thoughtful, always direct and friendly. I have never seen Senator Poulin without a smile.

Since being called to the Senate in 1995, she served on several standing committees and chaired the Communications Subcommittee of the Standing Senate Committee on Transport and Communications, where she led the review on Canada's place in the national and international scene in communications and telecommunications. She was also the first woman to lead the Senate Liberal caucus and the first senator to chair the Liberal Northern Caucus.

I have already said that Senator Poulin's energy is amazing. What further proof do we need but to see that she received a law degree last year while meeting her commitments in the Senate?

We were all shocked to hear of her stroke. How can someone so healthy, vital and beautiful have a stroke so young? However, we learned that it was a minor one and that she can expect a full recovery. Thank goodness for that.

Senator Poulin, we and the public wish you well. I know the Conservatives here wish you well. We Liberals wish you well. Get well soon.

[Translation]

We need you.

[English]

ZIMBABWE ELECTION

Hon. Hugh Segal: Honourable senators, more than a month ago, the country of Zimbabwe held elections. While the government of Robert Mugabe did its best to ensure its return to power by registering thousands of people who no longer lived in the country or who were dead, we learned this past weekend as recount results were slowly released that the anticipated results of the Mugabe government downfall were, in fact, accurate.

It appears that Mr. Mugabe has every intention of clinging to power. He shows no signs of accepting the will of the people. He is resorting to despicable, inhuman tactics to ensure a win in next month's so-called runoff after the expected government announcement of no clear winner, although the recounts tell another story.

• (1410)

The *London Times* reported on Saturday that families taking refuge in the MDC headquarters were rounded up by Mugabe's so-called "war veterans" and crammed into filthy prison cells in Harare for voting incorrectly. Among those currently in prison are 24 babies, as well as 40 children under the age of 6. The leader of the Movement for Democratic Change, Morgan Tsvangirai — the actual President of Zimbabwe, if one accepts the election results — is either in hiding or fled the country two weeks ago after being charged with treason for conspiring with the British to oust President Mugabe, a charge that would certainly lead to imprisonment or execution.

Honourable senators, the situation in Zimbabwe is untenable. People are suffering and being beaten, tortured, imprisoned and killed because they put an X beside the wrong name. Should a run-off election occur, we all know what the outcome would be. The people of Zimbabwe would be too afraid to vote against Mugabe or to vote at all, and he would retain the power he so desperately craves.

I ask that all reasonable people, reasonable governments and most especially the United Nations General Assembly through the Security Council make it perfectly clear to Mr. Mugabe, his followers and his goon war veterans that the Zanu-PF party is no longer the legitimate government of Zimbabwe. The original results of the March election showing that the opposition took a majority of seats has been confirmed by the recount. *The Globe and Mail* reported on Monday that Zimbabwe's election commission confirmed a Tsvangirai win. On Tuesday, the European Union called for an international halt to the sale of arms to Zimbabwe amid fears that a standoff over the delay to the March 29 election result could fuel violence.

After a careful Internet search to determine what Canada's embassy in Harare is doing or saying in relation to Mugabe's patent disregard for democracy or human rights, it was found that the only newsworthy item to report is that our embassy hosted a charity art exhibition on April 23. While promoting Zimbabwean art and artists is laudable, it is time Canada called our ambassador home for consultation, unless and until Mugabe accepts the election results and resigns.

We know the truth. Zimbabweans know the truth. It is time for our government to say, "Enough is enough."

[Translation]

INTER-PARLIAMENTARY FORUM OF THE AMERICAS

Hon. Michel Biron: Honourable senators, I would like to follow up on the tabling of the report of the parliamentary delegation of the Canadian Section of the Inter-Parliamentary Forum of the Americas by reminding you that FIPA's goals are to contribute to the development of interparliamentary dialogue between member

states, to increase cooperation and the sharing of experiences, to help strengthen the role of the legislative branch in democracy, to promote the harmonization of legislation, and to support greater economic cooperation.

During the past few plenary assemblies, approximately 35 American nations participated in the debates, which were about free trade, the status of women, interparliamentary cooperation, war, and international disaster assistance, among other things.

Our colleague, the Honourable Céline Hervieux-Payette, chaired FIPA from March 2002 to November 2006. For nearly five years, she capably and wisely guided the association's progress. Her leadership benefited Canada in terms of both the friendships she developed and interparliamentary cooperation. She also promoted economic development, human rights protection and the status of women in member states.

I would like to congratulate Senator Hervieux-Payette on her accomplishments.

The purpose of our last trip to the Caribbean was to create a special Caribbean branch of FIPA, to select a host country in the region for FIPA's sixth plenary assembly, and to lobby for FIPA to get observer status at the OAS and the Summit of the Americas.

I would like to highlight the significant contributions of Senator Consiglio Di Nino and Ms. Cheryl Gallant to the success of the mission. Senator Di Nino's incisive dialectics, convincing arguments, and openness to parliamentarians in the countries we visited persuaded them that FIPA's objectives are indeed relevant.

• (1415)

Lastly, I congratulate our esteemed colleague, the Honourable Marcel Prud'homme, on the honorary doctorate he received from the University of Algiers.

[English]

TAX CUTS 2007

Hon. Donald H. Oliver: Honourable senators, April 30 is the deadline for filing personal income tax returns. In 2008, most Canadians can look forward to receiving significantly larger refunds than in past years, not only because of the retroactive tax cuts that took effect last October in the economic statement but because of other targeted tax measures announced in the 2007 Budget and earlier.

The first retroactive tax cut announced in the 2007 economic statement was a reduction in the lowest personal income tax rate paid on the first \$37,000 of income to 15 per cent from 15.5 per cent retroactive to January 1, 2007. Second, the basic personal amount, the level Canadians can earn without paying tax, was retroactively raised to \$9,600, an increase of \$671.

These two changes alone will take some 385,000 people off the income tax rolls altogether and will put \$2.5 billion back into the pockets of Canadians over a two-year period. These two changes represent a retroactive tax saving of up to \$427 for a two-earner family with two children.

[Senator Segal]

That is not all our government has done to reduce the 2007 tax load. The new \$2,000 child tax credit took effect in 2007, providing tax relief of up to \$300 per child. The fitness tax credit for children took effect in 2007. Pension income splitting took effect in 2007, representing significant savings for many older couples where only one partner worked outside the home. The working income tax benefit took effect in 2007. A substantial increase in the spousal and equivalent amount took place in 2007, a major tax saving for one-income families, including single parents.

On top of all these income tax cuts, which will reduce the burden for last year, this year and beyond, the GST was cut by a further 1 per cent in January of this year.

Honourable senators, the Conservative government is delivering lower taxes for all Canadians and the proof is at the checkout counter and in their income tax returns.

WORLD MALARIA DAY

Hon. Rod A. A. Zimmer: Honourable senators, Winnipeg, my hometown, usually receives large amounts of rain in the spring. Unfortunately, this rain and the winter snowmelt result in large amounts of standing water, setting the stage for a potential mosquito infestation.

Although I cannot tell the difference, I am told Winnipeg has 38 different mosquito species. At this time of year, Winnipeggers and all other Canadians understand the challenge of controlling mosquitoes and the enormity of the task.

Honourable senators, on Friday, April 25, World Malaria Day was remembered by the international community. Thankfully, in Canada, we do not have to worry about the spread of malaria by these little Dracula-like pests; but we know that for many people, mosquito bites can be the source of extreme illness and death.

This year, to mark World Malaria Day, the global community is stepping up its efforts by challenging all G8 countries to help cover the bed-net gap — 161 million nets by 2010 to all those who need them in sub-Saharan Africa.

Belinda Stronach and Rick Mercer, in partnership with UNICEF Canada, have initiated a campaign to raise awareness and help wipe out death by malaria. The goal is to raise \$5 million in three years for UNICEF to purchase and distribute 500,000 insecticide-treated bed nets at no cost to families in Liberia and Rwanda, and to educate recipients on their usage. Every \$10 collected will purchase a bed net for a child in Africa — a simple, effective, inexpensive way to make a big difference, saving lives one net at a time.

Honourable senators, I am a proud ambassador for Spread the Net, the campaign co-founded by the Honourable Belinda Stronach, P.C., M.P., and comedian Rick Mercer, and I urge you to join in the fight against malaria.

Please join me as I celebrate the initiative of these Canadians and all of the others who are working to eliminate malaria in the world today.

• (1420)

CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

EFFECT OF APPLICATION BY SHERBROOKE RADIO STATION ON VERMONT PUBLIC RADIO

Hon. W. David Angus: Honourable senators, I rise today to bring to your attention a matter of substantial importance and concern to English-speaking Quebecers, and especially those residents of the beautiful Eastern Townships, including some of those living in such communities as Granby, Knowlton, Magog, Lac-Brome, Georgeville, Sutton and Lacolle, to name a few.

Honourable senators, for many years people in these locations have enjoyed the musical, educational, editorial and news programs broadcast regularly over the airwaves by the Vermont Public Radio station.

However, as we speak, local residents fear that this simple pleasure will soon be taken away from them following a CRTC hearing scheduled for later this week. The French-language news-talk radio station, CHLT-FM, located in Sherbrooke and owned by the Toronto-based Corus Entertainment, has applied to the CRTC to change its frequency to 107.7 FM, which is adjacent to VPR's frequency of 107.9. This is a frequency that VPR has been licensed to operate with the consent of both the American and Canadian regulators for more than 27 years.

Honourable senators, the issue was ventilated and described very clearly in today's *Montreal Gazette* on page A4 under the headline, "Townshippers fight to retain access to VPR."

Honourable senators, the radio station CHLT-FM has also asked the CRTC to increase its frequency power in order to cover a greater region. Such modifications will have the unfortunate effect of blocking out the signal of the Vermont educational station for the residents I have described, and even for certain Vermont listeners.

Honourable senators, the citizens involved on both sides of the Quebec and Vermont border are up in arms and they argue that these proposed changes should not be approved at the expense of faithful listeners of other radio stations. Obviously, this raises linguistic and other issues.

Honourable senators, the CRTC is reviewing concerns that may be submitted on the matter until midnight tomorrow. I urge all honourable senators, especially those from la belle province of Quebec and who, like me, represent the English-speaking minority in that great province, to register their basic concerns with the CRTC on their website at www.crtc.gc.ca/archive/ENG/Notices/2008/pb2008-25.htm, in reference to application 591991 B.C. Ltd.

ROUTINE PROCEEDINGS

KELOWNA ACCORD IMPLEMENTATION BILL

REPORT OF COMMITTEE

Hon. Gerry St. Germain, Chair of the Standing Senate Committee on Aboriginal Peoples, presented the following report:

Tuesday, April 29, 2008

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

FOURTH REPORT

Your Committee, to which was referred Bill C-292, An Act to implement the Kelowna Accord, has, in obedience to the Order of Reference of Tuesday, December 11, 2007, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

GERRY ST. GERMAIN
Chair

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

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

• (1425)

CONFLICT OF INTEREST FOR SENATORS

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

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

That, for the duration of the current session, the Standing Senate Committee on Conflict of Interest for Senators be authorized to sit even though the Senate may then be sitting and that rule 95(4) be suspended in relation thereto.

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Tommy Banks: Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(a), I move:

That the Standing Senate Committee on Energy, the Environment and Natural Resources have the power to sit at 5:30 p.m., today, Tuesday, April 29, 2008, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

Honourable senators, by way of explanation, the committee is studying Bill S-206, An Act to amend the Food and Drugs Act. One of the witnesses we are anxious to hear is Dr. Steve Hrudehy, Professor Emeritus at the School of Health at the University of Alberta. He wrote an article entitled "Investigative Report, 1,766 Boil Water Advisories Now in Place Across Canada," published in the Medical Association Journal on April 7 of this year.

His report is cogent and currently applicable to exactly what the committee is studying. Professor Hrudehy is available today. He has come here specifically to appear before the committee, and he must be on a plane tonight at eight o'clock.

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

Motion agreed to.

INTER-PARLIAMENTARY UNION REPORT ON HUMAN RIGHTS OF PARLIAMENTARIANS

NOTICE OF INQUIRY

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

I shall call the attention of the Senate to the recent report on the Human Rights of Parliamentarians at the meeting of the Inter-Parliamentary Union in Cape Town, South Africa, April 2008.

OSLO PROCESS ON BANNING CLUSTER MUNITIONS

NOTICE OF INQUIRY

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

I shall call the attention of the Senate to the Oslo Process and efforts to ban the use, production and trade of cluster munitions.

QUESTION PERIOD

FINANCE

MEASURES TO PREVENT RECESSION

Hon. Céline Hervieux-Payette (Leader of the Opposition): Honourable senators, my question is to the Leader of the Government in the Senate. Last week, the Bank of Canada released its monetary policy report, which states:

The deterioration in economic and financial conditions in the United States will have direct consequences for the Canadian economy. First, exports are projected to decline, exerting a significant drag on growth in 2008.

Second, turbulence in global financial markets will continue to affect the cost and availability of credit. Third, business and consumer sentiment in Canada is expected to soften somewhat.

• (1430)

Can the Leader of the Government in the Senate tell us what concrete actions our government intends to take to ensure the Canadian economy does not face a recession like our neighbours to the south?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): We have known for some time that the situation in the United States, starting with the sub-prime issue, would have consequences for Canada. That is why, last fall, the Minister of Finance got ahead of the situation by bringing in measures to stimulate the economy. This is an example of the prudent management the government has taken in this matter. This particular economic statement, which has contributed much to the stimulation of the Canadian economy, including tax cuts, had the support of the Liberal opposition in the House of Commons.

Senator Hervieux-Payette: We are lectured regularly about the competence of the Conservative economic management of this country, except that we were the ones solving the problems they left for us in 1993. However, this government seems to be living in Fantasyland if they believe that Canada is immune to the serious problem facing the U.S. economy.

According to the labour force survey for March, manufacturers cut thousands of jobs from their payroll, including 23,700 this February; another 9,400 in March; and, of course, the last one was the 900 General Motors employees who lost their jobs at the Oshawa truck assembly plant. We have lost 106,000 manufacturing jobs in the last 12 months, and the honourable senator pretends the measures taken last year were sufficient. What kind of real measures does this government intend to take to prevent our economic situation from deteriorating?

Senator LeBreton: First, we take this matter seriously. I refer the honourable senator to comments the Prime Minister made in the year-end interviews where he cautioned Canadians that we would not escape the consequences of an economic downturn in the United States. We have managed the economy prudently. We are the envy of the G7. We do not believe in recklessly spending our hard-earned tax dollars. We have significantly cut the debt. Not having to pay interest on the debt puts more money into the pockets of Canadian taxpayers.

Honourable senators, we will not be implementing the Liberal promises thus far, which would put us \$62.5 billion deeper in debt. We will not advocate for a massive increase in the price of gasoline through a carbon tax.

[Translation]

Senator Hervieux-Payette: Honourable senators, last week, Prime Minister Harper was in Quebec and gave a speech in which he tried to reassure the Laval Chamber of Commerce. However, I think the weekend papers gave us enough proof that the situation in provinces like Quebec is getting worse and that we have a trade deficit of \$11 billion, even though in 2002, under the Liberals, there was a trade surplus.

Could the Leader of the Opposition tell us what measures the government will take to ensure that Quebec gets its share of the national wealth, and that Quebec will not lose its jobs to the rest of Canada or the world?

• (1435)

[English]

Senator LeBreton: There is no question — and it has been acknowledged by the Prime Minister, the Minister of Finance and others — that certain segments in the Canadian economy are experiencing difficulty, particularly the manufacturing sector in Ontario and Quebec.

Honourable senators, we are being careful with the expenditures of the government, mindful of the situation in the United States, which, as the Governor of the Bank of Canada has cautioned, is experiencing some difficulty. All I can say, honourable senators, is that the Minister of Finance and the Prime Minister believe that, by prudent fiscal management, we will be able to steer the country in the proper direction without falling into deficit.

I reiterate that the measures taken by the Minister of Finance on behalf of the government, especially in the economic update last fall and then in Budget 2008, were designed because we were well aware of the situation globally, and particularly in the United States. We believe the support we received from the official opposition for Budget 2008 and the economic statement in the fall of 2007 bears out that members of the House of Commons, at least, believed we were following the prudent course.

HEALTH

GENDER-BASED ABORTIONS

Hon. Sharon Carstairs: Honourable senators, my question is to the Leader of the Government in the Senate.

I am a strong believer, as I believe many are in this chamber, of a woman's right to choose whether she has a child. Only a woman, in my view, knows whether she has the physical and mental capacity to bring a fetus to term and the wherewithal to parent that child for the rest of her life. However, I am concerned that, having made the decision to have a child, in some situations that child is aborted for no other reason than gender.

Testing is now available in the United States, and perhaps elsewhere, that allows a mother and father to identify the child's gender as early as seven weeks following conception. We know that in certain countries, notably India and China, boy babies are considered more desirable than girl babies, and there are areas in both countries where the gender gap is becoming pronounced. As a result, India has recently passed legislation that bans abortion solely on the basis of gender identification.

Can the Leader of the Government in the Senate tell this house if the Minister of Health has undertaken any studies in this country to identify if there is a problem in Canada?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): Honourable senators, I am aware of the situation in China. To be perfectly honest with the honourable senator, I have seen no proof that such would be the case in Canada. I cannot imagine that this situation would ever be the case in this country. The law of this country is clear.

However, until the honourable senator raised the question today, I had never thought of it in the context of Canada. I will ask my colleague the Minister of Health if this issue has ever been raised with him.

Senator Carstairs: I raise this concern because a recent census study in Surrey, British Columbia, has pointed to a disproportionate number of male births and has attributed abortions based on gender as one of the reasons for this result.

Can the Leader of the Government in the Senate tell this house if she believes such a study, therefore, should be undertaken, and would she support such a study?

• (1440)

Senator LeBreton: Honourable senators, as I mentioned in my earlier answer to Senator Carstairs, it never occurred to me that this type of situation would develop in Canada. I realize the problem this practice is causing in China, where, in many cases, young girls were adopted overseas.

I do not know of the study to which the honourable refers and, therefore, I will not comment on the validity of the study. As I said in my earlier answer, I will ask my colleague the Minister of Health whether this issue has ever been brought to his attention.

Senator Carstairs: I am particularly concerned about the coercion that may be exercised against a woman, with her family placing enormous pressure on her to abort a child simply on the basis of gender. I believe this is an important issue of equality in our country.

Will the minister bring this matter not only to the attention of the Minister of Health but also to the attention of the Minister Responsible for the Status of Women and urge her to work with the Minister of Health to ensure such a study is undertaken?

Senator LeBreton: I will not make any such commitment at this point in time. I repeat that I cannot imagine such a scenario in this country. It has never crossed my mind. My views on abortion are well known to my colleagues in this place. The fact that a situation such as is the case in India and China would ever be conducted within the borders of Canada is something completely foreign to me. I just cannot imagine it happening.

As I stated in my first answer, I will be happy to ask my colleagues the Minister of Health and the Minister Responsible for the Status of Women if they have ever encountered this particular subject matter.

HUMAN RESOURCES AND SOCIAL DEVELOPMENT

ENABLING ACCESSIBILITY FUND

Hon. Lorna Milne: Honourable senators, I am interested in a recent exchange between the Leader of the Government in the Senate and Senator Munson about the Enabling Accessibility

Fund. I echo Senator Munson's sentiments that improving accessibility for the disabled in Canadian communities is a most laudable goal. However, I also share Senator Munson's concerns regarding the length of the submission period for those groups and organizations interested in taking advantage of this unique funding opportunity. The submission period began on April 1 and it ends tomorrow, just one month to prepare and submit requests for funding.

Will the Leader of the Government in the Senate share with honourable senators, in writing, the exact number of proposals that have been submitted to Human Resources and Social Development Canada for consideration under this program during the submission period, which ends tomorrow, as well as a breakdown of how many of these projects were submitted under the major projects category and under the small projects category? That information would be of great interest to senators and to the disabled community in Canada.

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I thank Senator Milne for the question. Obviously, the issue is assisting people with disabilities in this country. Since the senator asked for a written response to her long and detailed question, I will be happy to take her question as notice.

Senator Milne: I thank the leader for undertaking to provide honourable senators with that information. It may be a lot of detail, but it is just two numbers.

ENABLING ACCESSIBILITY FUND— PROPOSAL FOR WHITBY-OSHAWA RIDING

Hon. Lorna Milne: Honourable senators, I noticed when Senator Munson asked if the government had a specific project in mind when this program was announced, the leader was quick to mention the proposed facility in Minister Flaherty's riding of Whitby-Oshawa. The Abilities Centre is an organization that has been publicly supported by both the Prime Minister and the Lieutenant Governor of Ontario in recent years. Even a faint appearance of impropriety can be seen in a very bad light by Canadians.

• (1445)

Therefore, I ask the Leader of the Government in the Senate whether she would allow this to happen if she were Minister of Finance. Would she introduce a program containing a component that appears to be tailored specifically to the needs of an organization in her own riding, in which her own spouse and executive assistant were board members? Would she perhaps give that organization a heads-up long before the announcement was made to make applying for the program easier?

Will the Leader of the Government in the Senate tell honourable senators where exactly, in my favourite fictional document, *Stand Up for Canada*, it says that this government is committed to rigging applications in favour of organizations in which their own spouse and executive assistant are members of the board?

Senator Mercer: It is in the fine print.

Senator Milne: How does this manipulation of government resources put the people's interests ahead of self-interests? The time for accountability has arrived. What will this government do?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): Honourable senators, that question was hypothetical. The honourable senator asked me what I would do if I were the Minister of Finance. I can assure honourable senators that will never happen. I will never be the Minister of Finance in this country.

The issue is providing services for the disabled. Where the various facilities may be located is not the issue. The issue is accessibility.

In Senator Milne's question she is trying to extract from me the answers that she wants to hear. Therefore, I will take her question as notice.

Senator Milne: Unfortunately for the Leader of the Government in the Senate, the issue is actually the minister manipulating the application process.

HEALTH

REPORT OF ADVISOR ON HEALTHY CHILDREN AND YOUTH—ABORIGINAL HEAD START PROGRAMS—EARLY CHILDHOOD DEVELOPMENT

Hon. Marilyn Trenholme Counsell: Honourable senators, my question is directed to the Leader of the Government in the Senate.

Dr. Kellie Leitch's report as Advisor on Healthy Children and Youth to the Minister of Health, the Honourable Tony Clement, is called *Reaching for the Top*. She admitted that Canada is performing surprisingly poorly when compared to other countries in the Organisation for Economic Co-operation and Development in measures of the health and wellness of children and youth. Of 29 OECD countries, we are twenty-first in well-being, including children's mental health; twenty-second in preventable childhood injuries and deaths; and twenty-seventh in childhood obesity.

Dr. Leitch's great goals and bold plans include injury prevention, obesity, mental health, data collection and the creation of a national office of child and youth health. Yet, early childhood education and early childhood development were relegated to an appendix.

What shocked me most was the recommendation on Aboriginal Head Start. Remember, honourable senators, this report claims to be "reaching for the top," yet this advisor recommends that Aboriginal Head Start programs be expanded to reach up to 25 per cent of on- and off-reserve children within five years.

What about the remaining 75 per cent of our First Nations, Metis and Inuit children? Is it good enough that we offer a chance to reach the top to only one in four of these First Nations, Metis and Inuit children?

Will the Leader of the Government in the Senate impress upon her leader, the Right Honourable Prime Minister of Canada, and the Minister of Health that this goal is not good enough? Will she ask them to set the goal higher and to make the investment?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I think the Minister of Health is to be applauded for commissioning a report of this nature, which was long overdue. Dr. Kellie Leitch prepared a lengthy report based on her deliberations across the country. The minister, on behalf of the government, has received the report.

The report underlines some of the serious problems that Dr. Kellie Leitch found with our children and youth. I think it was an honest assessment of the situation in Canada. I remind the honourable senator that we have only been in government for two years and this situation did not happen as of January 2006.

• (1450)

The Minister of Health is seriously considering all aspects of the report. With regard to the specific recommendations about Aboriginal children, there are other programs in other parts of government, particularly the Department of Indian and Northern Affairs. However, because of the complexity of Senator Trenholme Counsell's question, I will ask for a report on what is being done specifically for Aboriginal children, not only by Health Canada but also by the Department of Indian and Northern Affairs.

Senator Trenholme Counsell: I thank the leader for her response.

I wish to read the following from the introduction to *Reaching for the Top*, a book written on the subject of Canada's children:

As Canadians, we are very fortunate in so many ways. We have tremendous opportunities to reach our full potential in a free, welcoming and ambitious country. For those of us who were born in this country, it has often been said we are among the luckiest people in the world.

We have to take those words to heart and keep them at the forefront of our minds when we think about our First Nations, Métis and Inuit children.

It was no surprise to me that early childhood education did not make it into the list of great goals and bold plans, receiving only passing mention in the appendix near the end of the report. One also finds the social determinants of child and youth health in the appendix. The Leader of the Government in the Senate has in her caucus an honourable senator who is passionate about this subject and who is dedicated to making a difference in the health of Canadians.

In the appendix entitled the "Social Determinants of Child and Youth Health," the main issues are poverty, housing and education. In that appendix are these words:

Children who have had the benefit of early childhood education programs experience benefits that persist later in life.

Further,

Investing early pays off later . . . every \$1 invested in early childhood development is worth \$3 to \$18 later in life.

Does the leader have an answer concerning the adviser's position on placing all of this information in an appendix? Will the honourable senator use her voice to make these social determinants of child and youth health, including early childhood education, great goals and bold plans for Canada?

Senator LeBreton: In terms of early childhood development, I believe that great strides have been made in this country. The issue of early childhood development is diverse and varied, as is the country. Through work on the transfers to provinces, the government has provided substantial sums of money for health and education. To suggest that the issue of early childhood development has fallen off the table is quite incorrect.

However, I do not have the mandate letter given to Dr. Kellie Leitch in regard to the type of report she was asked to prepare for the government. Therefore, I cannot specifically comment on the placement of her recommendations with regard to early childhood development.

HOUSE OF COMMONS

USE OF HOUSEHOLDER "TEN PERCENTERS"

Hon. Terry M. Mercer: Honourable senators, it appears that Canada's growing-old government is again flouting the rules. A panel in the other place is set to examine the amount of householder "ten percenters" that Conservative MPs are sending out. Some people have suggested that they have printed between 30 and 50 million black-and-white flyers over the past 90 days, all at taxpayers' expense. Since it is taxpayers' money, I want to know where my taxes are going.

Would the Leader of the Government in the Senate confirm to this place how many householder "ten percenters" each "Reform-a-Tory" MP has sent out in each of the held and unheld ridings across the country?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I thank the honourable senator for the question. I could refer back to the Speaker's ruling as to whether this is a matter of public policy. However, having said that, I will only refer to this as a practice in the House of Commons that is conducted by all political parties. The Honourable Karen Redman, the honourable senator's own party whip in the other place, said that. I do not believe one political party has been singled out over another. It is a matter to be dealt with by the Board of Internal Economy in the other place. As it has little to do with the government, there is nothing more I can add.

• (1455)

HUMAN RESOURCES AND SOCIAL DEVELOPMENT

UNIVERSAL CHILD CARE PLAN

Hon. Terry M. Mercer: Perhaps I could then refer to one of these "ten percenters." It deals with government policy. I have one of them here. This one is on child care and was sent out by the Minister of the Environment, John Baird. It seems odd the Minister of the Environment wants the government to concentrate on child care. He should concentrate on the environment.

This "ten percenter" talks about child care. According to a report from the Childcare Resource and Research Unit, the number of new spaces created has decreased under the Conservatives. Almost 51,000 new child care spots were opened each year, between 2001 and 2004, when the Liberals were in power. Less than half that number was created in 2006 under the Conservatives. Therefore, it seems their so-called "choice" child care policy is failing Canadian families.

Will the Leader of the Government in the Senate refute the statistics of the Childcare Resource and Research Unit and confirm to this place how many child care spaces have been created in every province across the country since this Conservative government was elected?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): That question was confusing. The honourable senator talked about a "ten percenter" and then he referred to a study.

We were not elected in 2006 to implement the child care policy of the previous government. We have taken other measures, including direct assistance to families. We have transferred billions of dollars to the provinces and territories to address issues of health and education.

In terms of child care, the government believes that the best people to determine what is the best care for their child are the parents, not the government.

Senator Mercer: I cannot help but say that parents are the best people to determine how they are raised.

Some Hon. Senators: Goodbye.

Senator Mercer: We have lost Minister Fortier. Now that I have read it into the minutes, he can read it in Hansard.

If His Honour thought it was out of order, I know His Honour would have been on his feet quickly to call me to order. I see him sitting back and relaxing. That is good.

Let us move on to the question at hand. One of the mythical things this government has talked about is the money they have given to parents. It costs \$1,200 per year for child care benefits. The government talked about an increasing number of child care spaces across the country.

Can the Leader of the Government in the Senate tell us the number of child care spaces, province by province and even riding by riding across the country, the government claims their program has created since they have been elected?

Senator LeBreton: In Budget 2007, we transferred \$250 million per year to the provinces and territories to support their priorities for child care spaces. This money was on top of the \$850 million provinces and territories received through the Canada Social Transfer for early childhood development, early learning and child care for a total of \$1.1 billion this year.

I will provide a delayed answer to address how that money is broken down in spaces.

[Translation]

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I have the honour to table three answers to oral questions raised by Senator Mercer, on January 29, 2008, regarding natural resources, Chalk River Nuclear Laboratories, Medical Radioisotope Supply and Safety Risks of Resuming Production; by Senator Ringuette, on January 29, 2008, regarding natural resources, Chalk River Nuclear Laboratories, Medical Radioisotope Supply and Safety Risks of Resuming Production; and by Senator Milne, on April 1st, 2008, regarding milk imported into Canada.

NATURAL RESOURCES

CHALK RIVER NUCLEAR LABORATORIES— MEDICAL RADIOISOTOPE SUPPLY— SAFETY RISKS OF RESUMING PRODUCTION

(Response to question raised by Hon. Terry M. Mercer on January 29, 2008)

A risk assessment has been completed of the probability of a severe earthquake followed by the failure of one of the pumps in question to operate after it had been connected to the Emergency Power System (EPS). This is the “safety case” that was much discussed in Parliament and which was reviewed by two independent experts who testified to its acceptability in the House of Commons Committee of the Whole on December 11, 2007.

That same evening, Brian McGee, AECL’s Chief Nuclear Officer, testified that AECL’s safety case showed the likelihood of such an event occurring with one pump connected to the EPS was 1 in 50,000 years. With the second pump connection now made, the safety margins have been increased even further, and the chance of such an event occurring is now less than one in a million years.

Even if this highly unlikely sequence of events were to occur, no lives would be put in danger. Assuming a “worst-case” accident scenario under “worst-case” weather conditions, the estimated dose to any member of the public would be about 25.5 mSv. To put this in perspective, it is less than half the allowable yearly occupational dose, or a dose similar to what one would receive in a routine CT-scan. Noticeable health effects would not be expected.

Transcript reads: “In that worst case scenario, and I am still talking about neither pump being upgraded, the dose to workers and the public would be within recognized guidelines for power reactors. At that point, while it is obviously not an event that is desirable in any form, even in the worst case we are dealing with doses to the workers and the public that are still within acceptable ranges.

The upgrade of one pump, which is essentially where we are and what our safety case supported, puts the situation in a 1 in 50,000 year range. With one pump upgraded,

the probability analysis would say that we are in the 1 to 50,000 year range. With both pumps upgraded, we are in the 1 to 500,000 year range for this type of event.”

Note: AECL advises that based on refined analysis, the 1 in a million figure quoted above is more accurate than 1 in 500,000.

(Response to question raised by Hon. Pierrette Ringuette on January 29, 2008)

AECL had been working, during regularly scheduled NRU outages, to make the connections between pumps P-104 and P-105 and the backup Emergency Power System (EPS). The connections would have been completed in a timeframe of 12-14 months, as testified by AECL’s Chief Nuclear Officer to the CNSC in early December 2007.

On notice from the CNSC staff that these connections needed to be made before the reactor could be restarted following its planned maintenance outage in November 2007, AECL took the necessary steps to expedite the connections. Work on P-105 had already progressed to the point that allowed it to be completed on December 14, 2007. Critical aspects of the work can only take place with the reactor shut down, and the extended outage permitted the completion of this work several months earlier than would normally have been the case.

Parts needed to be procured for the second pump, Pump-104, so it could not be completed on the same timeframe. Both during the extended NRU outage and after, as much work on P-104 was done as possible, to accelerate its overall schedule. This work was, in fact, completed during the most recent planned outage, and both pumps are now connected to the backup Emergency Power System, and the reactor is back at full power.

TIMELINE

The 28-day outage in late-2007 is roughly the equivalent amount of outage time that would have accrued during six months of regularly scheduled outages. In expediting the parts needed to complete the second connection, AECL was able to gain significant time, and with the valuable on-the-job experience and lessons learned during the first connection, AECL’s team dedicated to the project was able to safely and efficiently complete the second EPS connection well ahead of schedule.

AGRICULTURE AND AGRI-FOOD

FOOD INSPECTION AGENCY— SAFETY OF IMPORTED MILK

(Response to question raised by Hon. Lorna Milne on April 1, 2008)

All domestic and imported food products must comply with Canada’s food safety standards, which are established by Health Canada and enforced by the Canadian Food Inspection Agency (CFIA).

Canada's import inspection programs are based on internationally recognized standards and principles, and are comparable to the import inspection systems of other developed countries, such as the United States.

The CFIA's food laboratories test for a wide range of chemical and biological contaminants in imported and domestically produced food products. A high rate of compliance has been found for the thousands of samples tested each year by the CFIA.

With reference to the hormone, **recombinant bovine somatotropin (rBST)**, Health Canada determined several years ago that rBST did not pose a health risk to humans; however, rBST is not approved for sale in Canada because of animal health concerns. Testing cannot distinguish between rBST (artificial growth hormone) and BST (natural growth hormone). As there are no human safety risks associated with rBST and because testing cannot distinguish rBST, CFIA does not test for this hormone in imported dairy products.

It is important to note that less than one per cent of all dairy products consumed in Canada are imported from the United States. In addition, up to 80 per cent of both natural BST and rBST in bovine milk is destroyed through pasteurization.

• (1500)

ANSWER TO ORDER PAPER QUESTION TABLED

HEALTH—NATIONAL PHARMACEUTICALS STRATEGY

Hon. Gerald J. Comeau (Deputy Leader of the Government) tabled the answer to Question No. 31 on the Order Paper—by Senator Callbeck.

[English]

POINT OF ORDER

SPEAKER'S RULING

The Hon. the Speaker: Honourable senators, on April 15, 2008, Senator Corbin rose on a point of order, concerned that a speech by Senator Cools contained inappropriate comments about a Speaker's ruling of December 11, 2007. Senator Cools' speech dealt with a motion by Senator Di Nino proposing that a committee report from the last session be considered in this session.

[Translation]

I have had the opportunity to review the debates of April 15. Senator Cools made clear that she disapproves of Senator Di Nino's reinstatement motion. She stated that the Senate "cannot vote on Senator Di Nino's motion" and that various perceived difficulties are "sufficient to disable or cripple Senator Di Nino's motion entirely."

[Senator Comeau]

In her speech, Senator Cools spoke about the December 2007 ruling. This juxtaposition of reference to a Speaker's ruling with criticisms of the reinstatement motion may have left the impression that the speech was actually a reflection on or criticism of the ruling, as Senator Corbin feared.

[English]

Citation 168(1) of Beauchesne's sixth edition notes that "The actions of the Speaker cannot be criticized incidentally in debate or upon any form of proceeding except by way of substantive motion." Similarly, pages 262-263 of *Marleau and Montpetit* state that "Once the Speaker has ruled, the matter is no longer open to debate or discussion," although, in the Senate, almost all decisions of the Speaker can be appealed when rendered. It would be helpful, therefore, for honourable senators to consider these citations when engaged in debate. During discussion of the point of order Senator Cools did indeed make clear that no such criticism of the December 2007 ruling was intended.

[Translation]

Honourable senators, as I have already noted, Senator Cools voiced unease about the reinstatement motion. Such concerns, particularly from a Senator with such interest in procedure, inevitably raise questions about the orderly conduct of business. I feel obliged, therefore, to make some comments on this matter.

The December 2007 ruling dealt with a proposal by Senator Stollery to have a report from last session simply adopted, without being placed on the Orders of the Day first. The motion was ruled out of order, but various approaches to achieve its objective were identified. These approaches were not mere *obiter dicta*; they were essential for clarity and balance. Rejecting Senator Stollery's motion without outlining means to achieve the goal of dealing directly with business from a past session might have left the false impression that the objective is itself unachievable.

[English]

The ruling therefore confirmed that business from a previous session can be revived by a clear decision to that effect in a new session, at least in the same Parliament. Practice in Canada and in the United Kingdom confirms that this is procedurally acceptable. Having been the subject of an unchallenged ruling, this matter is *res judicata*. That is to say, the issue is settled.

A major preoccupation of Senator Cools was that Senator Di Nino's reinstatement motion does not follow each nuance of Beauchesne's citation 890. Authorities from other chambers, although helpful, do not bind the Senate in every detail. They are interpreted in the context of our rules and practices. This is reflected in rule 1(1), which states that in unprovided cases the customs and usages of either House may be followed, *mutatis mutandis*, that is to say with alterations required by Senate practice and common sense.

At its core, citation 890 reflects the fact that a clear and deliberate decision is needed to revive business from a previous session of the same Parliament. Senator Di Nino's motion allows the Senate to make such a clear decision.

[Translation]

A senator who opposes simply reviving the report can speak and vote against the reinstatement motion. A Senator who thinks that the report should be considered at a date other than the next sitting can move an amendment. Both aspects of the issue can be fully debated. Following citation 890 to the letter would also be acceptable, but is not obligatory. With that approach, however, the decision as to when to deal with the report would probably be by means of a non-debatable procedural motion moved immediately after an affirmative decision on the motion to deal with the report.

[English]

In conclusion, to return to Senator Corbin's specific point of order, Senator Cools stated that she did not intend her remarks to be an indirect point of order or comment on the ruling of December 2007, so that matter is settled. As I already noted, however, Senator Corbin's concerns are important, and I invite all honourable senators to show care in how they frame remarks.

ORDERS OF THE DAY

CRIMINAL CODE

BILL TO AMEND—MESSAGE FROM COMMONS—CONCURRENCE IN AND DISAGREEMENT WITH SENATE AMENDMENTS—MOTION FOR NON-INSISTENCE UPON SENATE AMENDMENTS— DEBATE ADJOURNED

The Senate proceeded to consideration of the Message from the House of Commons concerning Bill C-13, An Act to amend the Criminal Code (criminal procedure, language of the accused, sentencing and other amendments).

Hon. Donald H. Oliver moved:

That the Senate do not insist on its amendments 1 and 3 to Bill C-13, An Act to amend the Criminal Code (criminal procedure, language of the accused, sentencing and other amendments) to which the House of Commons has disagreed; and

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

He said: Honourable senators, I am pleased to rise today to speak to the message received from the House of Commons regarding some amendments this house has made to Bill C-13, An Act to amend the Criminal Code (criminal procedure, language of the accused, sentencing and other amendments).

As honourable senators may recall, this chamber adopted Bill C-13 with six amendments on January 29. On the same day, a message was sent to the House of Commons for consideration of these amendments.

The other chamber has considered our amendments and sent a message to the Senate on April 17. I am pleased to see that the message indicates that the House of Commons agrees with four of

those amendments. However, it disagrees with amendments No. 1 and No. 3, which correspond to clause 18 and clause 21.1 respectively.

These two amendments are therefore outstanding, and we are now at the stage where we need to consider whether we should insist on keeping these two remaining amendments in the bill. For the reasons I will explain in a moment, I submit that we should not keep them.

Clause 18, as introduced, proposed to extend the right of unrepresented accused to be advised of their language rights to all accused, whether represented by counsel, but did not impose a duty on the judge to inform personally each accused of his or her language rights. Rather, the judge's duty was to ensure that the accused is advised of his or her language rights.

• (1510)

The Senate amendment would now require the presiding judge at the accused's first appearance to personally inform each and every accused person of his or her language rights.

During consideration of Senate amendments in the other place, the Parliamentary Secretary to the Minister of Justice indicated that provinces and court administrators have clearly told the government that such a requirement would create a significant burden on judges and courts. It would considerably increase delays in criminal proceedings and may not, in fact, represent the best way of achieving the desired result.

Indeed, the parliamentary secretary stated that many provinces have developed efficient ways of ensuring that accused persons are made aware of their language rights. The government drafted Bill C-13 with a view to recognizing these different provincial and territorial practices.

I urge honourable senators not to insist on the amendment to clause 18, which corresponds to amendment No. 1 in the message returned from the other place.

I would now like to turn to the next amendment that did not receive support from the other place. Clause 21.1 calls on the Minister of Justice to prepare and table an annual report to Parliament on the number of bilingual trials, the number of trials held in French outside the provinces of Quebec and New Brunswick, and the number of trials held in English in Quebec.

This amendment was brought forward during Senate committee hearings with the view to monitoring the language of trial amendments in order to verify whether they brought any unintended consequences. Statistics regarding the language of trial would certainly contribute to monitoring the use of language rights in criminal proceedings. However, during Senate committee hearings, I indicated that I was informed that provinces and territories do not keep statistics related to the language of trial provisions of the Criminal Code.

A more important point made by the parliamentary secretary is that this amendment imposes upon the federal Minister of Justice an obligation to provide information that the Minister of

Justice does not possess or control. The parliamentary secretary pointed out that only provincial and territorial attorneys general have the ability to actually collect this type of information as it falls under their jurisdiction, not federal jurisdiction.

The parliamentary secretary also stated that the government, with the provinces and territories, has explored ways in which this could be accomplished so that it will continue in the future. That is an ongoing consideration by the federal government.

Again, I would urge the chamber not to insist on clause 21.1, which corresponds to amendment No. 3 in the message returned from the other chamber.

I would like to conclude, honourable senators, by saying that I believe that Bill C-13, as a whole, is a good bill. It is intended to improve the effectiveness of and access to the criminal justice system in various areas of the Criminal Code.

It has been mentioned a number of times that provinces, territories and other justice system stakeholders have assisted the government in identifying areas in the Criminal Code that are in need of reform. In this respect, provinces and territories, as well as other stakeholders, are eager to see this bill become law.

Therefore, I would urge honourable senators to adopt Bill C-13 in the manner in which it was returned to us by the other chamber, and not to insist on amendments No. 1 and 3 so that this important bill may finally become law.

On motion of Senator Fraser, debate adjourned.

[Translation]

THE ESTIMATES, 2008-09

INTERIM REPORT OF NATIONAL FINANCE COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Day, seconded by the Honourable Senator Banks, for the adoption of the twelfth report of the Standing Senate Committee on National Finance (*The Human Resource Management Issues in the Public Service*), presented in the Senate on April 8, 2008.

Hon. Joseph A. Day moved adoption of the report.

Motion agreed to and report adopted.

THE ESTIMATES, 2007-08

INTERIM REPORT OF NATIONAL FINANCE COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Day, seconded by the Honourable Senator Moore, for the adoption of the ninth report of the Standing Senate

Committee on National Finance, entitled: *Financial Security for Seniors: Entitlements and Retroactivity Provisions under the Canada Pension Plan*, presented in the Senate on March 11, 2008.

Hon. Joseph A. Day moved adoption of the report.

Motion agreed to and report adopted.

[English]

NATIONAL PHILANTHROPY DAY BILL

THIRD READING

Hon. Joan Fraser (Acting Deputy Leader of the Opposition) moved third reading of Bill S-204, An Act respecting a National Philanthropy Day.—(*Honourable Senator Eggleton, P.C.*)

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

Motion agreed to and bill read third time and passed.

PUBLIC SERVICE EMPLOYMENT ACT

BILL TO AMEND—THIRD READING— DEBATE ADJOURNED

Hon. Pierrette Ringuette moved third reading of Bill S-219, An Act to amend the Public Service Employment Act (elimination of bureaucratic patronage and establishment of national area of selection), as amended.—(*Honourable Senator Ringuette*)

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

Hon. Gerald J. Comeau (Deputy Leader of the Government): I believe Senator Stratton wants to speak on this bill. My understanding is that he intends to speak on Thursday, so I would like to adjourn the motion in his name.

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

CONSTITUTION ACT, 1867

BILL TO AMEND—SECOND READING— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Banks, seconded by the Honourable Senator Day, for the second reading of Bill S-229, An Act to amend the Constitution Act, 1867 (Property qualifications of Senators

Hon. David Tkachuk: I would like to adjourn the debate on this matter. I will be speaking on this bill at a later time — I think tomorrow, actually — so I would like to adjourn it in my name.

On motion of Senator Tkachuk, debate adjourned.

• (1520)

INCOME TAX ACT

BILL TO AMEND—SECOND READING— POINT OF ORDER—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Moore, seconded by the Honourable Senator Day, for the second reading of Bill C-253, An Act to amend the Income Tax Act (deductibility of RESP contributions).
—(Honourable Senator Di Nino)

Hon. Consiglio Di Nino: Honourable senators, I rise today on a point of order respecting Bill C-253, An Act to amend the Income Tax Act (deductibility of RESP contributions). I am concerned that this bill does not conform to the requirements and historical practices for financial legislation.

Honourable senators, I recognize that this bill does not directly appropriate public funds. If the bill works as its sponsors envision, there would be an increase in payments under the Canada Education Savings Grant Program, as these are tied to RESP contribution level, but this is indirect. Therefore, I am not arguing that the bill conflicts with section 81 of the *Rules of the Senate of Canada* or section 54 of the Constitution Act. Further, as this bill originated in the other place, section 53 of the Constitution Act has been respected.

My concern is whether the bill accords with the established dimension whereby measures that impose a charge on the public must be initiated by the Crown. In essence, I am concerned that this bill is inconsistent with the principle of responsible government upon which our parliamentary procedures are founded.

I ask the indulgence of honourable senators on this important issue. The process by which this bill reached the Senate was highly irregular and unprecedented for a bill of this magnitude. The costs associated with this bill due to forgone revenues have been estimated to be at least \$900 million per year, and possibly \$2 billion per year, plus an estimated \$500 million per year in lost revenues for the provinces. Yet, this initiative has not been endorsed by a minister and, therefore, these costs have not been accounted for in the fiscal plan of the government. It is the government acting on behalf of the Crown that is accountable for that fiscal plan.

As well, the initiative has not been accounted for by provincial and territorial governments, both of which use the federal definition of “taxable income” as the base upon which they levy their own income taxes.

Further, due to the peculiarities of the procedures in the other place for private members’ bills, I am concerned that the bill did not receive the appropriate level of scrutiny an initiative of this magnitude deserves.

Although the Speaker of the other place ruled that the bill does not require a ways and means motion, further assessment of the bill, including the changes made at report stage, have reinforced

the views that there are specific flaws in the bill that would impose increased levels of taxation for certain individuals. In particular, the bill would apply to the roughly \$15 billion that Canadians have already contributed to RESPs. For these reasons, it is imperative that all honourable senators be assured that the constitutional role and parliamentary conventions are respected in the case of this bill.

An RESP consists of contributions to the plan, government assistance payments and income earned by the plan. Currently under the Income Tax Act, income earned by the plan is taxable after it is paid out from the plan either as income of a student or, if there is no student receiving it, of the contributor. Government assistance payments are taxable in the hands of the student receiving it or, if there is no student, are repaid to the government. However, the act does not require refunds of contributions made to RESPs to be included in income, because such contributions are not deductible to begin with.

As a result of amendments made by Bill C-253, contributions to RESPs made after the bill receives Royal Assent would be deductible. Bill C-253 also seeks to amend the Income Tax Act to make refunds of contributions taxable in the hands of the contributor.

For this reason, Bill C-253 has been described as a “tax deferral,” much like an RSP. This may be a valid assessment if it is assumed that all contributions had previously received a deduction exactly equal to the tax owing on the contribution being refunded. However, this is not the case. Under Bill C-253, the tax payable on the withdrawal of the contributions will not always be equal to the tax savings realized from deducting the contributions.

For example, contributors may not receive a deduction because they do not have taxable income or are exempt from tax at the time the contributions were made. Tax rates could change or the contributor could be in a higher tax bracket at the time of withdrawal than at the time of contribution.

In addition, Bill C-253 makes the refunds of contributions taxable in a manner that causes contributions in respect of which no deduction was available to also be included in income and subject to tax. The possibility of being taxed on a refund of contributions for which no deduction was ever available is a clear example of how a contributor may be required to pay more tax after the enactment of Bill C-253 than he or she would have to pay otherwise.

This situation comes about through two provisions of Bill C-253. First, clause 2(2) of Bill C-253 amends subsection 146(7.1) of the Income Tax Act to require that a refund of contributions made after 2005 be included in the contributor’s income. In other words, Bill C-253 would have the effect of increasing the contributor’s income by the amount of the refund.

In addition, Bill C-253 would, if enacted, repeal subsection 146.1(7.2) of the act. This would cause the refund of any contribution, including a contribution made before 2006, to be included in the contributor’s income.

I will provide three specific examples of how Bill C-253 could lead to an increase in taxation for RESP contributors.

First, contributions made before Bill C-253 is passed would be taxed when this money is withdrawn from an RESP. Canadians have contributed some \$50 billion to RESPs from their after-tax income. Under Bill C-253, these contributions would be subject to tax when withdrawn, even though contributors did not receive a tax deduction when they made their contributions. Indeed, in many cases the additional taxes would be substantive.

For example, if an existing RESP had a balance of some \$40,000 — which is not unusual when the RESP beneficiary is in his or her early teens — assuming a combined federal-provincial marginal tax rate of only 25 per cent, the contributing parent may be forced to pay \$10,000 of additional taxes without having had the benefit of a deduction.

Second, individuals making contributions greater than \$5,000 to a single RESP, to more than one RESP, or for more than one child, would exceed the \$5,000 annual deduction limits set by Bill C-253. A deduction would be received on only the first \$5,000 of contributions while the entire amount would be subject to tax when withdrawn.

• (1530)

Third, under Bill C-253 the tax payable on the withdrawal of the contributions could be greater than the tax savings realized from deducting the contributions. For example, the contributor may not have received the deduction because he or she did not have taxable income or was exempt from tax at the time the contribution was made. Another example would be if the contributor is in a higher tax bracket at the time of withdrawal than at the time of contribution.

Given that Bill C-253 imposes an additional tax burden in these instances, one that in many cases would be substantive, I argue that the introduction of this bill in the other place should have been preceded by a ways and means motion initiated by a minister.

Let us talk about procedural authorities now. Citation 980 of the sixth edition of *Beauchesne's Parliamentary Rules and Forms* states:

A Ways and Means motion is a necessary preliminary to the imposition of a new tax, the continuation of an expiring tax, an increase in the rate of an existing tax, or an extension of the incidence of a tax so as to include persons not already payers.

In other words, any measure that would have the effect of increasing the tax burden on an individual should be first preceded by a ways and means motion.

As well, the twenty-second edition of Erskine May's *Parliamentary Practice* is particularly relevant to the case of Bill C-253. At page 778 May states:

A Ways and Means resolution is required to authorize extension of the scope of a tax, for example to cover new classes of tax-payers, or new categories of income or benefits. The requirement for a Ways and Means resolution also applies to any proposal for a change in tax law or the administration of tax collection which may lead, albeit incidentally, to an increased or accelerated tax burden for any class of taxpayers.

Although the general purpose of Bill C-253 is to reduce the tax burden on individuals, this legislation should not evade the requirement of a ways and means motion if it would result in a tax increase.

At page 781, May states:

To escape the rules of financial procedure, a scheme for the alleviation of taxation must not include any incidental increase of the burden upon any taxpayer, however indirect or relatively insignificant that increase may be.

Honourable senators, I recognize that there are no provisions in the *Rules of the Senate* respecting ways and means motions, as these are features of the other place. However, this is due to section 53 of the Constitution Act, which states that bills imposing taxation must originate in the other place. In other words, there is no need for the *Rules of the Senate of Canada* to include provisions of ways and means motions. In my view, this does not mean that the Senate should be indifferent to whether this aspect of financial procedure is properly adhered to.

As Marleau and Montpetit state at page 748 of *House of Commons Procedure and Practice*:

The Crown, on the advice of its responsible Ministers, initiates all requests to impose or increase a tax on the public and the House either grants or withholds its consent.

Erskine May goes on further to state that this is a fundamental principle of responsible government.

At page 776, May states:

The fundamental rules of financial procedure which reserve the right of initiative to the Crown and require that new charging proposals be authorized by resolution of the House apply to the business of Ways and Means.

May then explains that this convention is based on traditional practices rather than standing orders or rules by stating:

But, whereas in the case of expenditure those rules are set out explicitly in the Standing Orders, in the case of Ways and Means they are still based largely on the traditional practice of the House.

Given the situation, I submit, honourable senators, that the absence of any reference to ways and means motions in the *Rules of the Senate* does not preclude the ability of the Senate Speaker to conclude that the bill does not respect the financial procedures of Parliament.

Honourable senators, I submit that Bill C-253, if passed, would impose increased taxation on some Canadians, and, therefore, it is not properly before the Senate.

The Hon. the Speaker pro tempore: Does any other senator wish to speak on the point of order raised by Senator Di Nino?

Senator Di Nino, do you wish to speak further?

Senator Di Nino: I would like to adjourn for the balance of my time.

The Hon. the Speaker *pro tempore*: Senator Cools, do you wish to speak on the point of order?

Hon. Anne C. Cools: I do wish to speak on this point of order, but I am also aware that many senators seem to wish to speak. From what I am seeing and hearing, it seems that senators would like a minute or two or an hour or three to think about this matter to frame a response.

Honourable senators, I do wish to speak to the point of order, but I thought it was proper that other honourable senators should speak before me. What we may be in, Your Honour, is one of these unusual situations where perhaps we could get permission of the Senate, or perhaps honourable senators can express an opinion to do something that is unusual — but which has happened in the past — which is to adjourn the debate on the point of order so that it may be continued when other honourable senators have had an opportunity to think about their response.

Honourable senators, I really do not like it when the table officers go up to speak to the Speaker as I am speaking to her. I am sorry to interrupt, Your Honour, but I really think it is a bad practice and ill-mannered, as we are directing our comments to you in this instance, that someone else — a stranger — is occupying your attention and speaking with you.

Could you please cease and desist, Mr. Robert? It is overbearing.

The Hon. the Speaker *pro tempore*: Do other honourable senators wish to speak on the point of order?

Senator Cools: I am not finished, Your Honour. You are not supposed to do that.

The Hon. the Speaker *pro tempore*: Senator Cools, I recognize you.

Senator Cools: I will be addressing my remarks now to honourable senators. I was trying to say that it is very clear that an extremely complex and complicated set of questions has been placed before us by Senator Di Nino. A considerable amount of work has been put into it, and it is crystal clear to me that many honourable senators would like to make a response or join in the debate on this very important question on this very important point of order.

I was saying, honourable senators, that it is rare and unusual but it has occurred in this place in the past on some rare occasions that senators have been allowed to adjourn the debate to do some more thinking and return to the point of order at a later date. That is what I was asking honourable senators to perhaps wrap their minds around.

Senator Di Nino has asked the Speaker of the Senate to contemplate ways and means motions. I am not sure that many honourable senators understand what House of Commons ways and means resolutions have to do with Senate debates.

All I am trying to say, honourable senators, is that perhaps a will should be expressed today by all honourable senators that we adjourn the debate or put this matter over to another day to continue this discussion, because it is an important debate.

Honourable senators, I also wish to reserve my right to speak in this debate. The matter of this point of order has been raised in a very rapid way. I believe that many senators would like to speak to the point of order. I should not name any senator, but I am sure the senator who is the sponsor for the bill in this place would love an opportunity to be able to respond to this point of order.

• (1540)

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I seem to be hearing Senator Cools asking to take the adjournment of the debate on the point of order. We would have no problem with that from this side. However, I am quite sure Your Honour would appreciate advice from the table officers and with that we have no problem on this side. If Your Honour wishes to consult with her table officers, I have absolutely no problem with that. Your Honour can provide whatever advice you wish to this chamber regarding the appropriateness of adjourning a debate on a point of order, which I am not sure is possible. I am not debating whether or not it is possible — anything is possible — but I have no problem with the table officers providing advice to the person who happens to be sitting in the chair. This is a departure from general practice, so I would have no problem with that.

Hon. Joan Fraser (Acting Deputy Leader of the Opposition): Honourable senators, as is often the case, Senator Cools makes fascinating points and I think in this case a very constructive one.

I am not now speaking to the substance of the adjournment, but it is true that in the past this chamber has passed, with the approval of the Speaker, bills that involved the expenditure of money. However, this particular case is perhaps a more complex. I believe it is worth Her Honour taking very seriously Senator Cools' suggestion that unusually — but I think in this case appropriately — we might adjourn the debate on this point of order, at least for 24 hours or something like that, because this matter will need well-reasoned arguments that perhaps we are not all ready to deliver on the fly.

I was encouraged to hear the Deputy Leader of the Government say that their side would have no objection to such an adjournment, and nor would our side.

The Hon. the Speaker *pro tempore*: Honourable senators, we have always said that, as members of this chamber, senators are the masters of their rules.

Is it agreed, honourable senators, to adjourn the point of order of Senator Di Nino?

Hon. Senators: Agreed.

On motion of Senator Comeau, debate adjourned.

HUMAN RIGHTS

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

The Senate proceeded to consideration of the ninth report of the Standing Senate Committee on Human Rights (budget—study on human rights obligations), presented in the Senate on April 17, 2008.—(*Honourable Senator Andreychuk*)

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

Motion agreed to and report adopted.

BUDGET AND AUTHORIZATION TO TRAVEL—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 tenth report of the Standing Senate Committee on Human Rights (budget—study on the federal public service—power to travel), presented in the Senate on April 17, 2008.—(*Honourable Senator Andreychuk*)

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

Motion agreed to and report adopted.

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

BUDGET AND AUTHORIZATION TO TRAVEL— STUDY ON RISE OF CHINA, INDIA AND RUSSIA IN THE GLOBAL ECONOMY AND THE IMPLICATIONS FOR CANADIAN POLICY— REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the sixth report of the Standing Senate Committee on Foreign Affairs and International Trade (budget—study on China, India and Russia—power to travel), presented in the Senate on April 17, 2008.—(*Honourable Senator Di Nino*)

Hon. Consiglio Di Nino moved the adoption of the report.

Motion agreed to and report adopted.

IMPLEMENTATION OF FEDERAL ACCOUNTABILITY ACT

PROGRESS REPORT—INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Oliver, calling the attention of the Senate to the progress that has been made on the implementation of the *Federal Accountability Act*, highlighting the status of key measures of the Act and underscoring the importance of this Act to improving responsibility and accountability in our government.—(*Honourable Senator Stratton*)

Hon. Terry Stratton: Honourable senators, on December 12, 2006, the Federal Accountability Act received Royal Assent, transforming the landscape in Ottawa. I remind senators that the

bill that brought about so many changes was the first one of a brand-new government given the job by the people of Canada to clean up the lingering sponsorship scandal fallout.

As Governor General Michaëlle Jean said when she summoned us to the First Session of the Thirty-ninth Parliament on April 4, 2006:

Canadians have chosen change. They want a government that treats their tax dollars with respect. A government that puts ordinary working people and their families first. A government that is accountable. This Government has been given a mandate to lead the change demanded by the Canadian people.

Change was needed and was wanted. Change is what has come about. I am pleased to speak on this inquiry regarding the implementation of the FAA. I wish to address several issues that have been raised, in particular those of Senator Day when he spoke on April 9.

[*Translation*]

Senator Day said he was concerned about the implementation of the Federal Accountability Act, which he felt was taking too long. Yet in the fall of 2006, the Liberals were afraid that Bill C-2 would come into force too quickly, before they held their leadership convention.

[*English*]

Bill C-2 was a complex piece of legislation and, as is common in these cases, different sections of the act came into force at different times. The creation of the Director of Public Prosecutions took effect upon Royal Assent. The new political financing laws, which drove my friends opposite to stall Bill C-2, took effect in January 2007. Other sections required the development of regulations and the recruitment of qualified people, but at this date virtually the entire Federal Accountability Act has been implemented.

While we could endlessly debate the speed of coming into force, the bottom line is that Canada now has far more effective laws governing accountability than any Liberal government has ever or would ever produce.

Senator Day alleged that reports by the Conflict of Interest and Ethics Commissioner, which are initiated by the Prime Minister, may be altered by the Prime Minister. In this, honourable senators, he is mistaken.

Section 47 of the FAA, to which Senator Day refers, covers reports that result from a request by parliamentarians or by the commissioner's own initiative. I must clarify that the Prime Minister is, in fact, a parliamentarian. Our current Prime Minister had to earn his seat in the House of Commons from the good people of Calgary Southwest.

• (1550)

Section 47 also states that the conclusion of this report may not be altered by anyone. It does not matter whether it was initiated by a parliamentarian or the commissioner. It cannot be altered.

Furthermore, a copy of the report is to be provided to the Prime Minister, the parliamentarian who made the request, the public office holder or the former public office holder who was the subject of the report and the public. In short, it is laid out there for all to see and there is no altering of anything.

Honourable senators, Senator Day spoke at length about the portion of the FAA that prohibits ministers and other public office holders from accepting gifts which, as the act states:

. . . might reasonably be seen to have been given to influence the public office holder in the exercise of an official power, duty or function.

His complaint was that there is an exception for relatives or friends. He further stated that during our debate on Bill C-2, his colleagues “tried to bring about amendments” to this particular section.

I went to committee hearings at clause-by-clause consideration on October 24, and a Liberal member of the committee put forth an amendment to change “friend” to “close personal friend.” The argument was that:

The substance of the amendment is to restrict. “Friend” is such a generic term. In an audience of 200 people, we say, dear friends, but they are not all close personal friends. The words “close personal” restrict our concept of friendship.

A helpful departmental official, Joe Wild, responded by saying:

The only thing I would add is that if you put “close personal” there, it is an extra step. The commissioner would have to ask if the individual in question was a close personal friend and there would be conversation around whether that person was a close personal friend or not.

The suggested amendment did not change much. There would still be conversations centred on what kind of “friend” the person in question was to the public office holder. In fact, I asked at report stage:

What does “close personal friend” mean? Is close personal friend a spouse, a brother, a cousin? Perhaps a close personal friend is a mistress. Would a mistress not be defined as a close personal friend, especially in relation to a minister?

The amendment passed at committee, would you believe, on division, but was later rejected by government as the majority will of Parliament prevailed.

Honourable senators, we all have family and friends. Hopefully, not all of us have mistresses. Sometimes they give us gifts and we gratefully accept them. That is what we do at birthdays, Christmas, anniversaries and housewarmings.

I turn now to Senator Day’s next concern regarding the creation of a new public appointments commission to oversee appointments to agencies, boards and commissions.

Let me remind you what happened when the government attempted to appoint someone to a role similar to that envisioned for the commissioner. Gwyn Morgan, an eminently qualified

person, was disqualified as a result of the committee antics of opposition members. Having gone through this once, I do not see why any government would rush to put another nominee forward for this position through a committee sideshow.

While a commissioner has not been appointed, the commission itself is functioning and is carrying out its mandate. Senator Day named three persons who have had their positions terminated.

[Translation]

The first person is the former Commissioner of the Environment, Johanne Gélinas. Senator Day has chosen a strange example, because Ms. Gélinas was not dismissed by the government. She was dismissed by the Auditor General for internal reasons that have to do with the Office of the Auditor General. The last time I checked, the Auditor General did not take orders from the government.

[English]

The second concerned the December 2006 dismissal of Adrian Measner of the Canadian Wheat Board. This was no scandal. It cannot be compared to, for example, the firing of François Beaudoin as part of a personal vendetta by Jean Chrétien. Instead, it was a matter of the government being thwarted in its attempt to carry out its agenda which it was elected to carry out by the people of Canada.

Our government was elected on a platform that included allowing Western grain farmers to vote on marketing choice. Mr. Measner wanted to prevent that vote from taking place. Mr. Measner was a government appointee who served at pleasure. Any government faced with a similar situation would have done the same.

Third, there is the matter of Linda Keen, former president of the Canadian Nuclear Safety Commission. After carefully reviewing the actions around the extended shutdown of the Atomic Energy of Canada Limited reactor at Chalk River, the government concluded Ms. Keen had failed to demonstrate leadership on the eve of an international health crisis and that she did not manage the work to bring this important matter for a hearing by the CNSC in an appropriately urgent fashion. In short, she no longer enjoyed the confidence required of her position.

There is then the matter of lobbying where Senator Day declared the law a failure. Honourable senators, the amendments to the Lobbyists Registration Act concerned far more than a cooling off period. As we have said on several occasions, tighter rules were needed given that the line between appropriate and inappropriate lobbying was sometimes blurred.

The Federal Accountability Act set out a five-year ban on lobbying for ministers, ministerial staffers and senior public servants. It also banned the payment and receipt of success or contingency fees. It required that contacts with designated public office holders be recorded. The act created the new independent Commissioner of Lobbying with a mandate to investigate violations under the Lobbyists Registration Act and the Lobbyists’ Code of Conduct.

Have Liberal senators forgotten the positions they took on the lobbying provisions of Bill C-2? Have they forgotten that they opposed the five-year ban? Allow me to remind you what the Liberal majority said about the lobbying provisions of the FAA in their report on the bill:

Your committee has heard testimony from witnesses across the political spectrum. The common refrain was that the five-year ban is excessive, unwarranted and will have the effect of depriving the government of the services of capable, qualified Canadians who will not wish to face such a ban after they leave public service.

Notably, none of the witnesses would themselves be affected by this policy. In fact, the bill is in their self-interest because the effect of the changes would be to reduce future competition.

We share the strong reservations of those witnesses about the wisdom of this policy choice.

[Translation]

Having questioned the wisdom of tightening the rules for lobbyists, the Liberals are now saying that the law is not strict enough.

Our government does not have a prime minister who is waiting in the wings, pulling strings from a lobbying office in downtown Ottawa funded by contracts awarded by the Minister of Finance.

That is the sort of abuse Bill C-2 prevents now.

[English]

Through the Federal Accountability Act, our government has strengthened accountability, and increased transparency and oversight in government operation. I am proud of this legislation, the strongest anti-corruption legislation in our nation's history, which followed a dozen years during which Senator Day's party abused the trust of Canadians.

• (1600)

Hon. Joseph A. Day: Would the honourable senator entertain a question or two?

Senator Stratton: Of course.

Senator Day: First, I must thank the honourable senator for his extensive quoting of my speech. He will understand and appreciate that I do not share all his views about the points that I made.

With respect to section 47 of the Federal Accountability Act, the honourable senator referred to parliamentarians and included the Prime Minister as a parliamentarian. I agree with that, but does the honourable senator also agree with me that the Prime Minister has a right in his own right and by virtue of that office and not solely as a parliamentarian to request an inquiry?

Senator Stratton: I would put it this way: As a parliamentarian elected by the people of Calgary, he has the right to put such an issue forward. He need not use the Office of the Prime Minister to do that.

[Senator Stratton]

Senator Day: The point is that he can, as the Prime Minister, and my comments with respect to his requesting as a prime minister are, in fact, correct.

The honourable senator raised the issue of Mr. Gwyn Morgan and the fact that he was rejected by a duly constituted committee of the other chamber. Will the honourable senator agree with me that the rejection of Mr. Gwyn Morgan occurred prior to the coming into force of the Federal Accountability Act, Bill C-2?

Senator Stratton: I do not see how that is moot to the issue. What is moot to the issue is the fact that a man with high credibility and esteem, a man of high principle, was rejected by the House of Commons. That is the issue.

Senator Day: I do not disagree.

The Hon. the Speaker: Honourable senators, the time has expired. Senator Stratton is asking for five minutes. Is it agreed that he have five minutes?

Hon. Senators: Agreed.

Senator Day: Thank you, honourable senators. Gwyn Morgan's issue and his integrity and his ability are not before this chamber. His ability and his appropriateness for the job that was being proposed was the issue before the House of Commons committee. That is not what is before us.

The provisions in the Federal Accountability Act, Bill C-2, provide for the creation of an appointment commissioner, and the honourable senator is saying that because of something that happened prior to this legislation coming into force, the executive can ignore the will of the House of Commons and the Senate in creating this provision under Bill C-2. Is that what I am hearing?

Senator Stratton: I do not think I said that.

Senator Day: I think the honourable senator implied it. Does he believe that the fact that Gwyn Morgan was rejected by a House of Commons committee is justification for not creating the position that is in the Federal Accountability Act, accepted by both chambers and now the law of the land, and that the government is not moving on that position because of something that happened prior to the legislation that they had introduced?

Senator Stratton: If that is what the honourable senator wants to believe, that is his choice.

On motion of Senator Banks, debate adjourned.

THE SENATE

MOTION TO TELEVISION PROCEEDINGS— MOTION IN AMENDMENT—ORDER STANDS

On the Order:

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

That whenever the Senate is sitting, the proceedings of the upper chamber, like those of the lower one, be televised, or otherwise audio-visually recorded, so that those proceedings can be carried live or replayed on CPAC, or any other television station, at times that are convenient for Canadians;

And, on the motion in amendment of the Honourable Senator Banks, seconded by the Honourable Senator Segal, that the motion be amended by deleting all words after the first “That” and replacing them by the following:

“the Senate approve in principle the installation of equipment necessary to the broadcast-quality audio-visual recording of its proceedings and other approved events in the Senate Chamber and in no fewer than four rooms ordinarily used for meetings by Committees of the Senate;

That for the purposes set out in the following paragraph, public proceedings of the Senate and of its Committees be recorded by this equipment, subject to policies, practices and guidelines approved from time to time by the Standing Committee on Internal Economy, Budgets and Administration (“the Committee”);

That selected and edited proceedings categorized according to subjects of interest be prepared and made available for use by any television broadcaster or distributor of audio-visual programmes, subject to the terms specified in any current or future agreements between the Senate and that broadcaster or distributor;

That such selected proceedings also be made available on demand to the public on the Parliamentary Internet;

That the Senate engage by contract a producer who shall, subject only to the direction of the Committee, make the determination of the programme content of the selected, edited and categorized proceedings of the Senate and of its Committees;

That equipment and personnel necessary for the expert selection, editing, preparation and categorization of broadcast-quality proceedings be secured for these purposes; and

That the Committee be instructed to take measures necessary to the implementation of this motion.”.
—(*Honourable Senator Andreychuk*)

Hon. Hugh Segal: Honourable senators, I see Senator Comeau rising to say “stand,” and I notice that this motion will now be at day No. 11. I do not want to be unfair, but *tempus fugit* and the male lifespan is 82 years. I wonder if the government leader could give us any advice.

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, the person who has this under adjournment does not happen to be in the chamber at this particular time. Senator Andreychuk was here a few minutes ago and, I assume,

will return shortly. I will inquire as to her intentions as to when she might speak on the subject and let the honourable senator know.

Order stands.

HUMAN RIGHTS

MOTION TO AUTHORIZE COMMITTEE TO STUDY ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE 2007 DECLARATION ON ANTI-SEMITISM AND INTOLERANCE—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Grafstein, seconded by the Honourable Senator Losier-Cool:

That the following Resolution on Combating Anti-Semitism and Other Forms of Intolerance, which was adopted at the 16th Annual Session of the OSCE Parliamentary Assembly, in which Canada participated in Kyiv, Ukraine on July 9, 2007, be referred to the Standing Senate Committee on Human Rights for consideration and that the Committee table its final report no later than March 31, 2008:

RESOLUTION ON COMBATING ANTI-SEMITISM, RACISM, XENOPHOBIA AND OTHER FORMS OF INTOLERANCE, INCLUDING AGAINST MUSLIMS AND ROMA

1. Recalling the Parliamentary Assembly’s leadership in raising the focus and attention of the participating States since the 2002 Annual Session in Berlin on issues related to intolerance, discrimination, and hate crimes, including particular concern over manifestations of anti-Semitism, racism, xenophobia and other forms of intolerance,
2. Celebrating the richness of ethnic, cultural, racial, and religious diversity within the 56 OSCE participating States,
3. Emphasizing the need to ensure implementation of existing OSCE commitments on combating anti-Semitism, racism, xenophobia, and other forms of intolerance and discrimination, including against Christians, Muslims, and members of other religions, as well as against Roma,
4. Recalling other international commitments of the OSCE participating States, and urging immediate ratification and full implementation of the Convention on Prevention and Punishment of the Crime of Genocide, the Convention on the Non-Applicability of Statutory Limitations to War Crimes and Crimes against Humanity, and the Rome Statute,

5. Reminding participating States that hate crimes and discrimination are motivated not only by race, ethnicity, sex, and religion or belief, but also by political opinion, national or social origin, language, birth or other status,

The OSCE Parliamentary Assembly:

6. Welcomes the convening of the June 2007 OSCE High Level Conference on Combating Discrimination and Promoting Mutual Respect and Understanding, in Bucharest, Romania as a follow-up to the 2005 Cordoba Conference on Anti-Semitism and Other Forms of Intolerance;
7. Appreciates the ongoing work undertaken by the OSCE and the Office for Democratic Institutions and Human Rights (the OSCE/ODIHR) through its Programme on Tolerance and Non-discrimination, as well as its efforts to improve the situation of Roma and Sinti through its Contact Point for Roma and Sinti Issues, and supports the continued organization of expert meetings on anti-Semitism and other forms of intolerance aimed at enhancing the implementation of relevant OSCE commitments;
8. Recognizes the importance of the OSCE/ODIHR Law Enforcement Officers Programme (LEOP) in helping police forces within the participating States better to identify and combat hate crimes, and recommends that other participating States make use of it;
9. Reiterates its full support for the political-level work undertaken by the three Personal Representatives of the Chair-in-Office and endorses the continuance of their efforts under their existing and distinct mandates;
10. Reminds participating States of the Holocaust, its impact, and the continued acts of anti-Semitism occurring throughout the 56-nation OSCE region that are not unique to any one country and necessitate unwavering steadfastness by all participating States to erase the black mark on human history;
11. Calls upon participating States to recall that atrocities within the OSCE region motivated by race, national origin, sex, religion or belief, disability or sexual orientation have contributed to the negative perceptions and treatment of persons in the region;
12. Further recalls the resolutions on anti-Semitism adopted unanimously by the OSCE Parliamentary Assembly at its Annual Sessions in Berlin in 2002, Rotterdam in 2003, Edinburgh in 2004, Washington in 2005 and Brussels in 2006;
13. Reaffirms especially the 2002 Porto Ministerial Decision condemning "anti-Semitic incidents in the OSCE area, recognizing the role that the existence of anti-Semitism has played throughout history as a major threat to freedom";

14. Recalls the agreement of the participating States, adopted in Cracow in 1991, to preserve and protect those monuments and sites of remembrance, including most notably extermination camps, and the related archives, which are themselves testimonials to tragic experiences in their common past;
15. Commends the 11 member states of the International Tracing Service for approving the immediate transfer of scanned Holocaust archives to receiving institutions and encourages all participating States to cooperate in opening, copying, and disseminating archival material from the Holocaust;
16. Commemorates the bicentennial of the 1807 Abolition of the Slave Trade Act which banned the slave trade in the British Empire, allowed for the search and seizure of ships suspected of transporting enslaved people, and provided compensation for the freedom of slaves;
17. Agrees that the transatlantic slave trade was a crime against humanity and urges participating states to develop educational tools, programmes, and activities to teach current and future generations about its significance;
18. Acknowledges the horrible legacy that centuries of racism, slavery, colonialism discrimination, exploitation, violence, and extreme oppression have continued to have on the promulgation of stereotypes, prejudice, and hatred directed towards persons of African descent;
19. Reminds parliamentarians and participating States that Roma constitute the largest ethnic minority in the European Union and have suffered from slavery, genocide, mass expulsions and imprisonment, forced assimilations, and numerous other discriminatory practices in the OSCE region;
20. Reminds participating States of the role these histories and other events have played in the institutionalization of practices that limit members of minority groups from having equal access to and participation in state-sponsored institutions, resulting in gross disparities in health, wealth, education, housing, political participation, and access to legal redress through the courts;
21. Underscores the sentiments of earlier resolutions regarding the continuing threat that anti-Semitism and other forms of intolerance pose to the underlying fundamental human rights and democratic values that serve as the underpinnings for security in the OSCE region;
22. Therefore urges participating States to increase efforts to work with their diverse communities to develop and implement practices to provide members of minority groups with equal access to and opportunities within social, political, legal, and economic spheres;
23. Notes the growing prevalence of anti-Semitism, racism, xenophobia, and other forms of intolerance being displayed within popular culture, including the Internet, computer games, and sports;

24. Deplores the growing prevalence of anti-Semitic materials and symbols of racist, xenophobic and anti-Semitic organizations in some OSCE participating States;
25. Reminds participating States of the 2004 OSCE meeting on the Relationship between Racist, Xenophobic and Anti-Semitic Propaganda on the Internet and Hate Crimes and suggested measures to combat the dissemination of racist and anti-Semitic material via the Internet as well as in printed or otherwise mediated form that could be utilized throughout the OSCE region;
26. Deplores the continuing intellectualization of anti-Semitism, racism and other forms of intolerance in academic spheres, particularly through publications and public events at universities;
27. Condemns the association of politicians and political parties with discriminatory platforms, and reaffirms that such actions violate human rights standards;
28. Notes the legislative efforts, public awareness campaigns, and other initiatives of some participating States to recognize the historical injustices of the transatlantic slave trade, study the enslavement of Roma, and commemorate the Holocaust;
29. Urges other states to take similar steps in recognizing the impact of past injustices on current day practices and beliefs as a means of providing a platform to address anti-Semitism and other forms of intolerance;
30. Suggests guidelines on academic responsibility to ensure the protection of Jewish and other minority students from harassment, discrimination, and abuse in the academic environment;
31. Urges participating States to implement the commitments following the original 2003 Vienna Conferences on Anti-Semitism and on Racism, Xenophobia and Discrimination and subsequent conferences that include calls to:
 - a. provide the proper legal framework and authority to combat anti-Semitism and other forms of intolerance;
 - b. collect, analyse, publish, and promote hate crimes data;
 - c. protect religious facilities and communitarian institutions, including Jewish sites of worship;
 - d. promote national guidelines on educational work to promote tolerance and combat anti-Semitism, including Holocaust education;
 - e. train law enforcement officers and military personnel to interact with diverse communities and address hate crimes, including community policing efforts;
- f. appoint ombudspersons or special commissioners with the necessary resources to adequately monitor and address anti-Semitism and other forms of intolerance;
- g. work with civil society to develop and implement tolerance initiatives;
32. Urges parliamentarians and the participating States to report their initiatives to combat anti-Semitism and other forms of intolerance and publicly recognize the benefits of diversity at the 2008 Annual Session;
33. Commends all parliamentary efforts on combating all forms of intolerance, especially the British All-Party Parliamentary Inquiry into Anti-Semitism and its final report;
34. Emphasizes the key role of politicians and political parties in combating intolerance by raising awareness of the value of diversity as a source of mutual enrichment of societies, and calls attention to the importance of integration with respect for diversity as a key element in promoting mutual respect and understanding;
35. Calls upon OSCE PA delegates to encourage regular debates on the subjects of anti-Semitism and other forms of intolerance in their national parliaments, following the example of the All-Party Parliamentary Inquiry into Anti-Semitism;
36. Calls upon journalists to develop a self-regulated code of ethics for addressing anti-Semitism, racism, discrimination against Muslims, and other forms of intolerance within the media;
37. Expresses its concern at all attempts to target Israeli institutions and individuals for boycotts, divestments and sanctions;
38. Urges implementation of the Resolution on Roma Education unanimously adopted at the OSCE PA 2002 Berlin Annual Session to "eradicate practices that segregate Roma in schooling" and provide equal access to education that includes intercultural education;
39. Calls upon parliamentarians and other elected officials to publicly speak out against discrimination, violence and other manifestations of intolerance against Roma, Sinti, Jews, and other ethnic or religious groups;
40. Urges the participating States to ensure the timely provision of resources and technical support and the establishment of an administrative support structure to assist the three Personal Representatives of the Chair-in-Office in their work to promote greater tolerance and combat racism, xenophobia and discrimination;
41. Encourages the three Personal Representatives of the Chair-in-Office to address the Assembly's Winter Meetings and Annual Sessions on their work to promote greater tolerance and combat racism, xenophobia, and discrimination throughout the OSCE region;

42. Recognizes the unique contribution that the Mediterranean Partners for Co-operation could make to OSCE efforts to promote greater tolerance and combat anti-Semitism, racism, xenophobia and discrimination, including by supporting the ongoing work of the three Personal Representatives of the Chair-in-Office;
43. Reminds participating States that respect for freedom of thought, conscience, religion or belief should assist in combating all forms of intolerance with the ultimate goal of building positive relationships among all people, furthering social justice, and attaining world peace;
44. Reminds participating States that, historically, violations of freedom of thought, conscience, religion or belief have, through direct or indirect means, led to war, human suffering, and divisions between and among nations and peoples;
45. Condemns the rising violence in the OSCE region against persons believed to be Muslim and welcomes the conference to be held in Cordoba in October 2007 on combating discrimination against Muslims;
46. Calls upon parliamentarians and the participating States to ensure and facilitate the freedom of the individual to profess and practice any religion or belief, alone or in community with others, through transparent and non-discriminatory laws, regulations, practices and policies, and to remove any registration or recognition policies that discriminate against any religious community and hinder its ability to operate freely and equally with other faiths;
47. Encourages an increased focus by participating States on the greater role teenagers and young adults can play in combating anti-Semitism and other forms of intolerance and urges participating States to collect data and report on hate crimes committed by persons under the age of 24 and to promote tolerance initiatives through education, workforce training, youth organizations, sports clubs, and other organized activities;
48. Reminds participating States that this year marks the 59th Anniversary of the United Nations Human Rights Commission's adoption of the Universal Declaration on Human Rights, which has served as the inspiration for numerous international treaties and declarations on tolerance issues;
49. Calls upon participating States to reaffirm and implement the sentiments expressed in the 2000 Bucharest Declaration and in this resolution as a testament to their commitment to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion", as enshrined in the Helsinki Final Act;
50. Expresses deep concern at the glorification of the Nazi movement, including the erection of monuments and memorials and the holding of public demonstrations glorifying the Nazi past, the Nazi movement and neo-Nazism;
51. Also stresses that such practices fuel contemporary forms of racism, racial discrimination, xenophobia and related intolerance and contribute to the spread and multiplication of various extremist political parties, movements and groups, including neo-Nazis and skinhead groups;
52. Emphasizes the need to take the necessary measures to put an end to the practices described above, and calls upon participating States to take more effective measures to combat these phenomena and the extremist movements, which pose a real threat to democratic values.—(*Honourable Senator Di Nino*)

Hon. Consiglio Di Nino: Honourable senators, I have been speaking with the mover of this particular motion, Senator Grafstein, and we both agree that it is something we should be working on, but neither he nor I have had the time to prepare a response. I would ask your indulgence and that the item be stood in my name for the remainder of my time.

On motion of Senator Di Nino, debate adjourned.

THE SENATE

MOTION TO URGE GOVERNMENT TO ESTABLISH NATIONAL PORTRAIT GALLERY IN NATIONAL CAPITAL REGION—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Grafstein, seconded by the Honourable Senator Callbeck:

That the Senate urge the Government to establish a National Portrait Gallery in the National Capital Region without delay.—(*Honourable Senator Munson*)

Hon. Hugh Segal: Honourable senators, I would like to put on the record — as I will on the opportunity when second reading of another bill that has been put forward by Senator Grafstein appears before us — on behalf of Canadians who do not live in Ottawa, our profound discomfort from the notion that all national institutions can only be based in one city.

We do not accept the premise that important national institutions cannot be in places like Winnipeg or Calgary or Edmonton or Halifax or St. John's. The notion that, to be valid, a portrait museum or any other such facility can only be in Ottawa, although well intentioned as a motion for discussion and debate in this place, has the unwitting effect of making it appear as if institutions in this city, including the one in which we serve, are primarily about serving the interests of this city.

I come from Kingston. Kingston was Canada's first capital, capital of the United Province of Canada. Queen Victoria made a horrific mistake in the city that she chose. We have been paying for it as a country ever since.

I think it is appropriate that we put on the record that there are many great Canadian communities with outstanding patriots, strong volunteer and cultural sectors who care deeply about Canada and who are part of the family. While every issue should be assessed on its merits, which is the purport of this particular motion, as a general principle, Montreal, Quebec City, Kingston, London, Vancouver and Edmonton are also part of the national family, and no institution, whether it is a portrait gallery or any other, should be assigned permanently, terminally and without debate to one place, particularly when there is a chance for others to participate in that process.

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

• (1610)

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

MOTION TO AUTHORIZE COMMITTEE TO STUDY ACCESSIBILITY TO POST-SECONDARY EDUCATION—DEBATE ADJOURNED

Hon. Catherine S. Callbeck, pursuant to notice of April 3, 2008, moved:

That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to examine and report on the accessibility of post-secondary education in Canada, including but not limited to:

- (a) analysis of the current barriers in post-secondary education, such as geography, family income levels, means of financing for students and debt levels;
- (b) evaluation of the current mechanisms for students to fund post-secondary education, such as Canada Student Loans Program, Canada Student Grants Program, Canada Access Grants, funding for Aboriginal students, Canada Learning Bonds, and Registered Education Savings Plans;
- (c) examination of the current federal/provincial transfer mechanism for post-secondary education;
- (d) evaluation of the potential establishment of a dedicated transfer for post-secondary education; and
- (e) any other matters related to the study; and

That the Committee submit its final report no later than December 31, 2009, and that the Committee retain until June 30, 2010, all powers necessary to publicize its findings.

She said: Honourable senators, it is generally recognized that a trained and skilled workforce is one of the fundamental keys to social and economic development. In 2006, the World Economic Forum said that countries investing in education are those most likely to see rising levels of income per capita, growing success in reducing poverty and an increased ability to establish and strengthen their presence in the global economy. Closer to home, the Canadian Council of Learning released a major report in December 2006 on post-secondary education in

Canada. That report stated that high quality, affordable, accessible and flexible post-secondary education is essential to achieve Canada's economic and social objectives in the 21st century.

There is no doubt that higher education and training are fast becoming a prerequisite for employment. In fact, by 2013, as many as 70 per cent of new and replacement jobs — about 1.7 million jobs — will demand some post-secondary education qualifications. However, we are not even close to meeting that demand. At this moment, only 45 per cent of the Canadian working age population have college or university qualifications. We have a long way to go to increase this figure to 70 per cent over the next five years.

The Canadian Council of Learning has also pointed out that access to, and benefits of, post-secondary education are not equally distributed among Canadians. We still have a long way to go to ensure that each and every Canadian is able to pursue a post-secondary education. Far too many people, either because of geography, social or economic status or other reasons, do not have the opportunity to gain the skills and knowledge they require to fully contribute and participate in the life of this nation — and we are all poorer because of that.

That is why I propose that the Standing Senate Committee on Social Affairs, Science and Technology undertake an examination of accessibility to post-secondary education in Canada, including the barriers facing students, current funding mechanisms and the federal-provincial transfer system. I hope that the committee will make recommendations that, once implemented, will help to increase the number of Canadians who go on to post-secondary education.

Accessibility to post-secondary education is a significant concern — one that has been growing for some time. Ten years ago, the late Senator Lorne Bonnell chaired a Special Standing Committee on Post-Secondary Education. That committee undertook a wide-ranging study on the state of post-secondary education in Canada. They found that there were barriers to pursuing an education: overall cost, including tuition, room and board and other incidentals, as well as the fear of unmanageable debt levels upon graduation, weighed heavily on the minds of Canadian youth.

Today, these barriers remain. Statistics Canada's "Youth in Transition Survey" asked high school graduates why they did not participate in post-secondary education. The most frequently reported barrier for these students was "financial reasons."

Tuition rates play a big role as a barrier to further education. Senator Bonnell's report stated that in 1989 tuition amounted to a little over \$1,400. Since then, rates have increased dramatically. Between 1990-91 and 2004-05, tuition fees have risen at four times the rate of inflation. According to Statistics Canada, the average tuition cost for the 2007-08 academic year is now \$4,524. Indeed, there are universities in Atlantic Canada that cost well over \$6,000 per year.

In addition, the percentage of students requiring financial assistance has increased. Senator Bonnell's report found that 49 per cent of students graduating in 1995 had some kind of student debt. The most recent figures from Statistics Canada

show this number has dropped to 44 per cent. However, the bottom line is that the number of students requiring assistance has actually risen.

During the 1997-98 academic year, when Senator Bonnell's report was released, fewer than 400,000 students were enrolled in full-time post-secondary education. That means only 200,000 carried a debt load. However, during the 2005-06 academic year, about 480,000 students had a debt upon graduation since well over a million students registered for full-time status. Therefore, the number of students with debt upon graduation has more than doubled.

The debt load for graduating students has also increased dramatically. In 1990, the average debt level was \$8,700. Ten years later, that number has doubled to nearly \$16,500. The most recent figures show another big jump over the previous six years. The average debt load in 2006 was \$24,047 for undergraduate university students. In addition, the average amount of debt was the highest in Atlantic Canada where 66 per cent of students with loans owed an average of \$29,747. Overall, about 29 per cent of Canadian students incurred more than \$15,000 in debt in 2006. That is up from just 17 per cent only three years before.

Affordability is a growing problem for many young Canadians. We must do all we can to help them with their pursuit of an education. Despite growing enrolment, we are simply not on track to filling our future requirements. Canada has an aging population, a declining number of young people and an increasingly competitive and skill-seeking labour market. We must do everything we can to train and educate more Canadians. We simply cannot fill the labour shortages of the future without continuing to increase participation and attainment rates.

While the provinces have primary jurisdiction over post-secondary education, the federal government has taken a role in a variety of ways. Through the Canada Social Transfer, the federal government provides funding for post-secondary education and social programs in our provinces. However, in last year's budget, the Conservative government changed the way in which it allocates that funding, moving to a per capita cash formula and ignoring regional economic disparities. In years to come, this will only increase the gap between the rich and the poor provinces in Canada.

With this new per capita funding approach, I am very concerned about the future of post-secondary education in some areas. Per capita funding threatens to reduce the ability of some provinces to maintain quality post-secondary education for their residents. Given the obvious impact that post-secondary education has on the prosperity of the individual, of the province and of the country as a whole, I am concerned about the impact that reduced capacity will have on efforts to maintain and improve participation rates. As some provinces see reductions in federal funds for education, we may lose ground in the area of participation.

The federal government also provides assistance directly to students in a number of ways. For instance, the Canada Student Loan Program is of help, but, with debt loads like those I have mentioned, it may simply leave students overwhelmed by debt at the end of their post-secondary education careers.

I wish to take a moment to speak about the loss of the Canadian Millennium Scholarship Foundation. While it is true that the recent budget seems to have replaced the foundation with the Canada Student Grant Program, the two cannot be considered equal. The most recent annual budget of the Millennium Foundation was \$350 million, which will be the same for the grants program. However, the government states in its own budget document that the new program will reach approximately 100,000 more students than the millennium program. By anyone's math, that means students will receive less funding.

• (1620)

As part of this study, the Standing Senate Committee on Social Affairs, Science and Technology must study all methods of funding and examine how these contribute to or fail to address accessibility to education.

Despite the recognized importance of education to economic and social development goals, Canada is falling behind. The December 2006 report undertaken by the Canadian Council on Learning revealed some alarming findings that affect Canada's competitive position as well as its economic and social well-being. The report stated that the slowing labour force growth, combined with increasing need for a knowledgeable, adaptable and flexible workforce, will result in labour market shortages across all professions. Currently, labour shortages are most pronounced in highly-skilled trades such as construction and mechanical trades, as well as in other fields like engineering and health situation services. However, the report forecasts that the demand for workers will outpace supply by 2016 in all occupations. Resulting shortages will undermine Canada's productivity and competitiveness.

The council's report also points to the very real economic and social impacts when Canadians do not have sufficient education levels. The report states that people who lack post-secondary education are at risk of higher levels of unemployment, lower average wage rates and are subject to an increasing vulnerability to layoffs.

These outcomes are demonstrated in a Statistics Canada study carried out in 2004 which found that there is roughly a 40 per cent wage premium associated with those holding a university degree. In addition, according to a study by the Canadian Millennium Scholarship Foundation, university graduates, while representing only 16 per cent of the Canadian population, provide 33 per cent of income tax and consume only 9 per cent of government spending. On the other hand, those with less than a high school education represent more than 19 per cent of the population, they provide less than 9 per cent of income tax and consume over 35 per cent of government transfers.

Canadians benefit in many ways from post-secondary education. We know that there is a positive correlation between educational achievement and factors that affect the quality of life of individuals and communities. This includes everything from lower crime rates to better personal health and well-being. In short, those with some level of post-secondary education generally lead healthier, more productive and fulfilling lives.

Honourable senators, education and training are not costs; they are investments in our collective future. That is why I propose that the Standing Senate Committee on Social Affairs,

Science and Technology undertake a study on accessibility to post-secondary education in Canada. This country's productivity, sustainability and overall prosperity rest on our ability to face the coming challenges in new and innovative ways. We must ensure that every Canadian who is willing and able to pursue a post-secondary education may do so. Only then will we be sure of our success in the 21st century.

Hon. Elaine McCoy: Would the honourable senator entertain a question?

I commend the honourable senator for the main thrust of the proposed inquiry. I notice she referred to Aboriginal funding in one of the subsections of the proposed terms of reference. A few years ago, I led an independent evaluation team of the post-secondary education Aboriginal system in Canada. I suggest that there are a considerable number of other issues that are equally important in Aboriginal access to education. Would the committee consider looking at those areas as a particular subset of what we may call "mainstream post-secondary education"?

Senator Callbeck: I thank the honourable senator for her question. Certainly, the area of education for Aboriginals is very important. I had mentioned this in the motion. However, I am not exactly sure how the committee will decide to deal with it.

As honourable senators will see from the outline, from the suggestions I have made and from the points I have covered, the committee will be doing a very thorough investigation on this. Perhaps the honourable senator would like to sit in on the committee. With her involvement in the education of Aboriginals, I am sure she has much to contribute.

Senator McCoy: Perhaps what is more critical is the analysis in geography, family, income levels, means of financing and debt levels. I do not think that is an exhaustive list. Would it be worthwhile to include an additional word such as "socio-cultural" or something similar that would assist the committee in expanding its consideration beyond what is something that we would have lived and experienced in ourselves? That is often a useful device when we are looking at something with which we are not familiar.

Senator Callbeck: The honourable senator has offered a good suggestion and one I will bring to the attention of the committee. Under paragraph (e) I have "any other knowledge relating to this study." Therefore, I will make the committee aware of the suggestion of the honourable senator.

On motion of Senator Keon, debate adjourned.

BUDGET 2008

INQUIRY—DEBATE CONTINUED

Leave having been given to revert to Government Business, Inquiries, Item No. 1:

On the Order:

Resuming debate on the inquiry of the Honourable Senator Comeau, calling the attention of the Senate to the budget entitled, *Responsible Leadership*, tabled in the House

of Commons on February 26, 2008, by the Minister of Finance, the Honourable James M. Flaherty, P.C., M.P., and in the Senate on February 27, 2008.

Hon. Terry Stratton: Honourable senators, I stand today in support of the 2008-09 Main Estimates. The estimates that form Budget 2008 show a prudent course. The budget is balanced and the estimates show that the government is focused on the priorities of Canadians. The government will pay down more than \$10 billion of our national debt this year. Moreover, it is offering a powerful new tool to help Canadians save their money, tax-free, through the Tax-Free Savings Account.

[Translation]

Honourable senators, Canada is on a solid financial footing thanks to our government's leadership. As the United States and other countries are being hit increasingly hard by economic turbulence, it is more important than ever for the Government of Canada to keep our fiscal house in order.

[English]

Canada cannot afford weak leadership and risky spending that will jeopardize Canada's fiscal position and the jobs that depend on it. Sadly for my friends in the Liberal Party, their leader, Stéphane Dion, has made over 90 spending commitments thus far that would push Canada at least \$62.5 billion deeper into debt, and he is promising to spend even more.

Mr. Dion must be prepared to do more than simply complain and pass judgment on the commitments and priorities of our government. He must do more than simply abstain in the other place.

I smiled on March 11 as my honourable colleague, Senator Day, mused about his interpretations of our government's spending and so-called increases and/or decreases in areas of concern to him. However, honourable senators, I respectfully suggest that Senator Day advise Mr. Dion that the Liberals need to come forward with a fully-costed plan of their own so as to have some semblance of credibility.

Honourable senators, the Main Estimates reflect the vision of a government that sets clear priorities and delivers on its promises. The Main Estimates show significant, long-overdue tax relief to Canadians.

Honourable senators, the tax cuts brought forward by this government reward hard work. The tax cuts brought forward by this government strengthen our economy. The tax cuts brought forward by this government give Canadians more choices in their lives. Those are often the major differences between the governing Conservatives and the opposition Liberals.

• (1630)

On the one hand, we have the Liberals promising 89 new and un-costed programs that amount to at least \$62.5 billion in new spending. All these programs cost money and control more elements of the lives of Canadians. On the other hand, the Conservatives feel that the best managers of Canadians' money are Canadians themselves. Thus, we have taken the fiscally

prudent approach with initiatives, whether they be tax cuts or programs like our Universal Child Care Benefit, that ensure money goes back into the hands of Canadians where it belongs.

Honourable senators, Canadians can take solace not only that Tax Freedom Day comes earlier but also that real disposable income — after-inflation and after-tax income of real families — is on the rise.

With the proposed tax-free savings account in Budget 2008, more families will be able to save money and invest money without worrying about being taxed on it again and again. Governments should never penalize Canadians for doing the right thing by saving their money and choosing to spend it where and when they want.

As of January 1, the GST was cut again, and all Canadian families keep more of their own money in their own pockets than they have for a long time.

Honourable senators may recall that the Liberal Party once ran on a platform of scrapping the GST and, of course, the Liberals never delivered on that commitment. Yet, when we kept our promise to cut the GST from 7 per cent to 6 per cent and to 5 per cent, Stéphane Dion and the Liberals opposed us. Why? Because they never saw a tax they did not like. They never saw a tax they would not hike. The Liberals have never corrected the record as to how they are considering an increase in the GST or considering a carbon tax or considering tolls on commuters. Perhaps it will be all these new taxes that will pay for Stéphane Dion's un-costed promises to the country.

Honourable senators, while I am sure Senator Day meant to mention this matter in his presentation to the chamber, did you know that as of March 31, Canada will have already paid off more than \$37 billion in federal government debt since the Conservatives came to power? The progress was neither automatic nor irreversible. These fragile gains must not be taken for granted.

As honourable senators know, the global economy, in particular the U.S. economy, are unknown factors on the horizon. Our opponents will try to make Canadians believe that they can somehow spend the United States out of an economic slowdown. Of course, based on their promises to date, our opponents, in one budget, will push the country back into deficit and over four years plunge Canada at least \$62.5 billion deeper into debt.

When one is facing a global economic slowdown, this kind of reckless spending represents a risky course. It is no wonder that the Liberals refuse to release any details of their own spending promises.

Honourable senators, I address specifically a few matters raised by the Honourable Senator Day. In his speech on March 11, he referred to decreases in the Department of Indian and Northern Affairs. First, let me say that the budget for the Department of Indian and Northern Affairs is at an all-time high. My honourable colleague raised concerns over the sun-setting of the First Nations Water Management Strategy and the Plan of Action for Drinking Water in First Nations Communities.

Senator Day: We actually have one.

Senator Stratton: Senator Day said, "These terms are important to watch," and I agree. We must also remember that line items do not necessarily speak to the realities.

Under the previous Liberal government, a shameful 193 drinking-water systems serving First Nations communities were deemed high-risk. Today, that number stands at 85 and continues to fall. That situation is because two years ago, this government implemented a Plan of Action for Drinking Water in First Nations Communities.

That is not all we have done for Native Canadians. Honourable senators, in its first two years in office, the Conservative government did more than the Liberals in 13 years. For example: the dark legacy of residential schools has been redressed; educational opportunities for First Nations has been enhanced with the passage of Bill C-34, the First Nations Jurisdiction Over Education in British Columbia Act; our first budget in 2006 committed \$300 million for Aboriginal housing off-reserve; Budget 2007 committed \$300 million to give First Nation members the opportunity to own their own homes; our government initialled three treaties under the B.C. Treaty Process but the Liberals never signed a single treaty in 13 years; and we have moved forward on the issue of matrimonial real property on reserves.

I move now to the other issues raised by my colleague Senator Day, who expressed concern over what he viewed as reductions in regional economic development agencies. He expressed concern over infrastructure monies and whether a national pool of money will flow to the regions where it is needed.

Honourable senators, let me allay his concerns. Our government has moved forward with the building Canada infrastructure plan. This plan will help to support a stronger Canadian economy by investing in infrastructure that will contribute to increased trade, efficient movement of goods and people, and economic growth. We will improve our national highway system, short-line railways, short-sea shipping, regional and local airports, broadband, and convention centres.

We realize that different communities and regions face different challenges. For this reason, the building Canada fund is designed to support both big cities and smaller communities, including those served by regional economic agencies, as well as First Nations communities.

The Building Canada Fund is a \$33-billion, seven-year plan. Honourable senators should find it interesting to know that this investment is the single largest investment in infrastructure since the Second World War. With other levels of government and the private sector, the building Canada fund will inject over \$50 billion to build infrastructure in Canada.

This plan is in direct contrast to the previous Liberal government who ignored our crumbling infrastructure. In my city of Winnipeg, it was deplorable.

To further allay my honourable colleague's concerns, I can tell him and all honourable senators that this plan also includes \$8.8 billion for the new building Canada fund that will go toward strategic projects as well as projects in smaller communities; and \$2.1 billion for the new gateways and border crossings fund.

With respect to Canadian Heritage, my honourable colleague raised concern over funding for museums. Honourable senators, this government is truly committed to making investments in the renewal of the National Gallery of Canada, the Canadian Museum of Civilization, the Canada Science and Technology Museum, the Canadian Museum of Nature and, of course, my favourite, the proposed Canadian Museum for Human Rights to be built in Winnipeg.

To address operating and infrastructure pressures, we will reinvest \$9 billion over two years from strategic review savings. This investment will strengthen Canada's cultural institutions and protect our cultural heritage for future generations.

[Translation]

With regard to Senator Day's concern with respect to official languages, I can assure him that the five-year action plan for official languages is moving forward. Pan-Canadian consultations by Mr. Bernard Lord were completed recently.

• (1640)

Senator Day will agree with me that it would have been difficult to choose a better candidate for the job than a former premier of the Province of New Brunswick.

[English]

Mr. Lord was instrumental in modernizing New Brunswick language laws to make them more effective for New Brunswickers. I am sure Senator Day can attest to Mr. Lord's reputation as a proven leader, experienced consensus builder and a model of bilingual leadership in Canada.

Honourable senators, the budget presented by this government is about prudent leadership. The Conservatives have shown time and again that we are providing prudent leadership at home and abroad.

At home, we are supporting the vulnerable, protecting the health and safety of Canadians, strengthening partnerships with Aboriginal Canadians, protecting Canada's sovereignty in the Arctic, ensuring a cleaner, healthier environment and tackling crime and bolstering security.

Abroad, we are reinstating Canada's proper place on the world stage. We are providing stable and predictable funding for our Armed Forces and giving them the equipment they need. We are

better at delivering on our promises for international assistance, including our commitment to rebuild a free and democratic Afghanistan.

We are also promoting Canada's trade and investment interests around the world. For example, our America strategy has Canada once again re-engaging our hemispheric partner. We are also improving the efficiency of our borders and gateways to move goods faster.

From a position of economic strength, Canada is well prepared to successfully respond to the current —

The Hon. the Speaker: I advise the honourable senator that his time has expired. He is asking permission for five more minutes. Is it agreed, honourable senators?

Senator Campbell: Do I hear 10?

Hon. Senators: Agreed.

Senator Stratton: From a position of economic strength, Canada is well prepared to successfully respond to the current period of economic uncertainty arising from the slowdown of the American economy and the ongoing global financial market turbulence.

At the core of this successful plan are the actions taken by our government since 2006, which will provide \$21 billion in incremental tax relief, equivalent to 1.4 per cent of Canada's economy, to Canadians and all Canadian businesses this year alone.

Senator Tkachuk: We want more of that.

Senator Stratton: Honourable senators want me to say something positive. I would like to thank Senator Carstairs who actually came out and congratulated our government for raising the amount that seniors can earn without a clawback from \$500 to \$3,500. I want to thank her publicly for making that statement because I do not hear such sentiments often.

I am proud to stand before honourable senators today and recommend the acceptance of the Main Estimates that reinforce our society.

On motion of Senator Fraser, debate adjourned.

The Senate adjourned until Wednesday, April 30, 2008, at 1:30 p.m.

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