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THE HONOURABLE NOËL A. KINSELLA
SPEAKER

CONTENTS

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THE SENATE

Wednesday, December 9, 2009

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

Prayers.

[Translation]

SENATORS' STATEMENTS

TRIBUTES

THE HONOURABLE JERAHMIEL S. GRAFSTEIN, Q.C.

The Hon. the Speaker: Honourable senators, pursuant to rule 22(10) of the *Rules of the Senate*, the Leader of the Opposition has asked that the time provided for consideration of Senators' Statements be extended today for the purpose of paying tribute to the Honourable Senator Grafstein, who will be retiring from the Senate on January 2, 2010.

I remind honourable senators that, pursuant to the rules, each senator will be allowed only three minutes and may speak only once.

[English]

However, it is agreed that we continue our tributes to Senator Grafstein under Senators' Statements and that Senator Grafstein hold his comments until the end of Senators' Statements. We will therefore have 30 minutes, not including the time allotted to Senator Grafstein's response.

Is it agreed, honourable senators?

Hon. Senators: Agreed.

Hon. James S. Cowan (Leader of the Opposition): Honourable senators, I rise today to pay tribute to our colleague, Senator Grafstein. However, I will admit to you that the prospect is a little daunting. How do you pay tribute to a force of nature disguised as a person?

Some of you may remember the old film *Zelig*, about a character who just happened to be everywhere anything important was happening, anywhere in the world. Senator Grafstein has been rather like that. However, instead of a hapless Woody Allen character, Senator Grafstein has usually been a moving force behind whatever it is that everyone else was clamouring to be a part of.

The great CHUM empire was started by Jerry Grafstein and Allan Waters when, in 1954, they bought a small struggling radio station in Toronto called 1050 CHUM. It grew to some 33 radio stations, 12 television stations and 21 specialty channels.

Industry Canada, the department established to be a powerhouse for Canadian innovation policy, began as the Department of Consumer and Corporate Affairs in 1967, established under Prime Minister Trudeau. Yes, Jerry Grafstein was there, as a special adviser during its founding period.

In Washington, everyone knows Jerry Grafstein. The inauguration of President Obama? Absolutely; he was there.

Even the Pope famously referred to the fact that there were only two people he knew in Toronto — two people in our nation's largest city — and, yes, one of them was Jerry Grafstein. As we learned a few weeks ago, they happened to meet a number of years before, through the good graces of our former Senate colleague, Senator Stanley Haidasz.

As we in this chamber all know, Senator Grafstein is just like that. If something needs to be done, he is there and ready with a plan before most people even realize a problem exists.

Senator Grafstein was born in London, Ontario, where he attended the University of Western Ontario. He then went on to study law at the University of Toronto. He was called to the bar of Ontario in 1960.

From a very early age, Jerry was a dedicated Liberal. Over the years, he has held various positions in the Liberal Party of Canada, from the riding level to the national one. However, titles do not begin to convey the depth of his commitment to Liberal ideals, principles and a vision for Canada.

In 1966, Jerry founded and edited the *Journal of Liberal Thought*. He was executive assistant to the Right Honourable John Turner when he was Registrar General of Canada. He served as an adviser to the Ministry of Transport and the Canadian International Development Agency, and was a member of the Department of Justice Advisory Committee. Senator Grafstein co-founded and was President of Red Leaf Communications Company, the advertising consortium that served the Liberal Party so well for so many years. Senator Grafstein also found time to practise law with the well-known Toronto firm of Minden Gross, which he joined in the 1960s and helped to build to its current status as one of the leading firms in the country.

In 1984, he was summoned to the Senate by Prime Minister Trudeau. Some people like to present the Senate as a sleepy chamber, filled with people who do not do much of anything. I invite those people to meet Jerry Grafstein. Here are just a few of the highlights of projects he has been involved in while with us.

Senator Grafstein has been an active member of numerous inter-parliamentary groups and associations in Europe, Asia and Latin America, including the Inter-Parliamentary Union and the Canadian NATO Parliamentary Association.

He served for more than a decade as Co-chair of the Canada-United States Inter-Parliamentary Group. In July 2007, he was elected Vice-president of the Parliamentary Assembly of the Organization for Security and Co-operation in Europe, the largest governmental human rights organization in the world.

• (1340)

His community involvement is legendary. He was co-chair of the 1988 Toronto Economic Summit Preparation Committee; he was a member of the executive of the 2008 Toronto Olympic Bid Committee; he spearheaded the 2001 “Canada Loves New York” Weekend to help New York in the aftermath of 9/11, the Rolling Stones concert in Toronto in 2003 to help that city recover from the SARS crisis, and the Canada for Asia telethon in December 2004 that raised \$15 million to help victims of the 2004 tsunami. He was named an honorary commandant of the U.S. Marine Corps and an honorary fire chief of New York City.

Senator Grafstein has served on just about every standing Senate committee over the course of his 25 years. He chaired the Standing Senate Committee on Banking, Trade and Commerce, and is the longest serving member of the Standing Senate Committee on Foreign Affairs and International Trade.

Senator Grafstein has introduced a long list of private members’ bills — including, of course, Bill S-201, to establish a national portrait gallery; but that is only one. He introduced a private member’s bill that established the Parliamentary Poet Laureate, and co-sponsored one that established Holocaust Memorial Day. He introduced a bill to add suicide bombing to the Criminal Code, Bill S-205, which has now passed second reading in the other place. His bill on clean drinking water is now also in the other place, and there remains a long list of his private member’s bills on the Order Paper here.

Our distinguished colleague may be leaving this chamber, but he has made sure that the rest of us have plenty of work to do after he is gone.

He is a member of the Canadian Institute of International Affairs. He has published articles, given lectures, appeared on panels and led conferences on technology, television, cable, film, broadcasting and finance.

Senator Grafstein is a patron of many arts and health organizations. He served as a governor of the Canadian Opera Company and on the board of the Shaw Festival, the Stratford Festival, the Toronto Film Festival and the Festival of Festivals. I guess where else can one go after working with all these other prominent festivals but to something called the Festival of Festivals?

Honourable senators see what I mean; Senator Grafstein must be a force of nature. No mere human being could ever pack so much into one lifetime.

Senator Grafstein, I know that for you, retirement from the Senate just means one more milestone has passed and it is time to look to the next. It is impossible to believe that you will ever lead a quiet life.

We all look forward to watching in admiration as you alight on your next project — the Grafstein tornado begins to move again.

Senator Grafstein, I extend our warmest wishes to you, your wife, Carole, and your sons, Laurence and Michael.

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): Honourable senators, two and a half decades ago, Senator Grafstein entered this chamber. Today we say goodbye as he takes leave of the Senate early in the new year. It is difficult to imagine this place or the Liberal Party without him, and I am sure it is equally difficult for Senator Grafstein to imagine it.

All honourable senators are well aware of Senator Grafstein’s past in the Senate, his legal background and his long involvement in the media through the co-founding of CityTV. Named to the Senate in January 1984, a month before Prime Minister Trudeau took his walk in the snow, Senator Grafstein has participated on any number of committees, as has been outlined by my colleague opposite, but he is perhaps most identified with his work on the Standing Senate Committee on Banking, Trade and Commerce, where he served as chair.

In this chamber, he has been both prolific and tenacious in introducing, reintroducing and re-introducing private bills on any number of subjects that are of particular interest to him.

As a parliamentarian and as a private citizen, Senator Grafstein has shown a deep, abiding affection for his home, his beloved city of Toronto. He is one of the biggest and best supporters imaginable for the city of Toronto and has proven this time and time again. Whether it was his involvement in mayoralty races, or rock concerts featuring the likes of the Rolling Stones and the promotion of tourism in the wake of SARS, Jerry Grafstein has been a true champion for Toronto.

As all honourable senators know, Mayor David Miller has decided not to seek another term. We will await with interest to see what role our honourable colleague plans to play in the upcoming mayoralty campaign.

I would be remiss if I did not point out that Senator Grafstein has consistently worked for years to strengthen Canada’s ties with our biggest trading partner and closest neighbour and friend, the United States of America. Honourable senators agree, I am sure, that stronger relations between our two countries are always worth pursuing, for the benefit of Canadians and Americans alike. There are many citizens on both sides of the border who sincerely thank Senator Grafstein for all of his efforts in this regard — most particularly, as Co-chair of the Canada-U.S. Inter-Parliamentary Group and for organizing the “Canada Loves New York” event in the wake of September 11, 2001.

Senator Grafstein, on behalf of all Conservative senators, I wish to extend our best wishes to you and your wife, Carole, and your entire family for a healthy and happy retirement — although, like Senator Cowan, I have my doubts that you will be retiring. Rather, you are taking forced leave of this place and will now zero in on some new endeavour on which to focus your extreme energy.

Hon. Serge Joyal: Honourable senators, it is a privilege to be able to pay tribute today to Senator Jerry Grafstein upon his retirement from the Senate. Although we are losing an esteemed colleague, we will be keeping a close friend.

I will not speak today of the bonds that cement our friendship; there are other more appropriate venues for that. Rather, I will remind honourable senators of the principled positions that Senator Grafstein defended during his 26 years in the Senate.

The most important was the recognition of the value of human life as the fundamental principle at the heart of our rights and freedoms. He fought for such rights 10 years ago in this chamber when an extradition bill introduced by the government of the day allowed the Minister of Justice to permit the death penalty to be applied against a Canadian citizen abroad. Senator Grafstein thought there could never be two sets of principles for Canadian citizens, one for protecting them at home and another discretionary one abroad. He believes in the fundamental principle of the sanctity of life, equal everywhere and at all times.

We lost that amendment here; but a year later, the Supreme Court vindicated that principle in the case of *United States v. Burns*, and last year, the Federal Court reaffirmed that point in the case of Ronald Smith.

The second principle that Senator Grafstein holds as part of his commitment to action is the protection of minorities and the defence of the vulnerable in our society. By the mere fact of their greater weight, majorities tend to disregard the condition and plight of persons or groups who are less influential or powerful. At the top of those who must fight for recognition are the Aboriginal peoples. Senator Grafstein has introduced or supported amendments, motions and inquiries to support their right to self-government, their right to live in dignity and in decent health, as well as their right to speak their language.

Senator Grafstein is also concerned with the plight of youth and the rights of the child. He has supported the opportunity for a second chance for those youth caught in the web of criminal justice, especially those from a poor and violent family background. At one point, he got removed from the Standing Senate Committee on Legal and Constitutional Affairs for his point of view.

The senator believes in the role of government — not necessarily of more government, but of better and smarter government. As Chair of the Standing Senate Committee on Banking, Trade and Commerce, Senator Grafstein launched and had a study completed to enhance the protection of consumers in the financial service sector. He opposed the mergers of banks, as ultimately the risk generated by bad investment decisions would have been borne by taxpayers.

He does not believe that equal opportunity can be left solely to the interplay of market forces. He is what I would call a “liberal democrat.” He is convinced of the value of a free market, but with an eye to the strategic redistribution of wealth to those living under the accepted standard in an affluent society.

He is also a committed Canadian. He has always seen his initiatives as those of a nation builder, of an effective central government working toward binding the various regions, groups and communities of our country. His support of a portrait gallery for Canada is just such an example.

He remains attentive to the cultural richness and contribution of French Canadians throughout the country. An active participant in the debate involving our constitutional future, he is preoccupied with the way institutions of Parliament are defined in our Westminster system of government. He did just that in defending the role of the Senate as an essential house of Parliament during the Clarity Act debate.

He also kept an eye on the challenges of protecting the environment, regarding access to clean water in particular — a global preoccupation.

• (1350)

At the international level, his initiatives were also directed toward peace in regions where neighbouring nations have not yet been able to define the terms of peaceful cohabitation. The Middle East, the fight against anti-Semitism, the development of international institutions to better mediate the settlement of conflicts, in particular at the OSCE, have all been objects of his everlasting commitment.

Honourable senators, do you have any idea how many bills, motions, inquiries, questions, amendments, interventions and speeches Senator Grafstein has given or made during his 26 years in the Senate Chamber? It is quite a few.

Today, I thought it would be appropriate to review some of the principles and values that Senator Grafstein has stood for. They are at the heart of his commitment to action and offer a stronger description of the stature of the person we are saluting today as he leaves the Senate. Thank you, Senator Grafstein.

Hon. W. David Angus: Honourable senators, I have admired and respected my friend, the Honourable Jeremiah “Jerry” Grafstein ever since I came to the Senate in the spring of 1993. Indeed, over the intervening years, I have come to regard Jerry as the quintessential senator. I say this, honourable senators, for the following reasons.

First, Jerry has a passionate love for his country, Canada, and a deep and abiding respect for our system of parliamentary democracy. He understands and honours Parliament, and believes truly in responsible government and the rule of law.

Second, he has an impressive knowledge and understanding of our social, economic and cultural history and heritage. This extends to how our rich, pluralistic society has evolved and shaped the tolerant values of our wonderful nation as we know it today and as our Fathers of Confederation hoped it would be. They toiled long and hard to find a balance to the vast regional and cultural disparities facing them as they worked to craft the British North America Act and the related laws and agreements.

Third, Senator Grafstein believes profoundly in the Senate as conceived by Sir John A. Macdonald and his colleagues of the day. Jerry ardently supports the process of sober second thought, the protection of minority rights, and the advancement of regional interests. He has demonstrated this ably and in a most articulate way over the many years he has represented the vast metropolitan city of Toronto and its multicultural populous.

Fourth, Jerry has a unique capacity, believe it or not, to be objective. He has proven time and again that he is able to rise above strict partisan interests and to do what he considers, and indeed is, the correct thing. I personally observed him in this mode in the Standing Senate Committee on Banking, Trade and Commerce as, together, we dealt with the thorny issues around the new bankruptcy and insolvency legislation three or four years ago. This was repeated more recently with the bill designed to remove excise taxes on watches, jewellery and other similar items.

Fifth, Jerry Grafstein likes the Senate basically the way it is, subject only to certain necessary minor reforms necessitated by the passage of time. Indeed, Jerry is against a triple-E Senate, but he is a triple-E senator. He is educated, energetic and entrepreneurial.

Some Hon. Senators: Hear, hear.

Senator Angus: Sixth, and finally, honourable senators, Jerry is a man of strong character and integrity, true to a fault to his values and principles. As his friends and colleagues, his roasters and toasters, proclaimed the other night, Jerry consistently is a good Liberal. He is faithful to and a practitioner of the principles of Sir Wilfrid Laurier and Pierre Elliot Trudeau. I mention these names in this chamber with trepidation, but I do so out of honour and respect for my friend Jerry and for all of my friends and colleagues on the other side.

At Jerry's dinner last week, there was also absolute unanimity that Senator Grafstein, given the slightest opportunity, will talk your ear off. He is the wrong man to meet on a street corner when you are rushing to a meeting for which you are a little late. Honourable senators, we all know this about Jerry, but we still love and admire him a lot, not only for what he says, but also for all the great and public spirited things he does — from organizing Rolling Stones concerts in Toronto, to finding housing for Hurricane Katrina victims in New Orleans, or for supporting 9/11 victims in the Big Apple.

We love him for his belief in the family unit, his wife Carole, brilliant sons Laurence and Michael and his wonderful grandchildren we were able to meet the other night. We also love him for the pungent aromas that he emits while savouring a fine Cohiba cigar or other very special Cuban stogie. Yes, Jerry is a sartorial gentleman, maybe even the Beau Brummell of the Senate, with his beautiful silk shirts and ties that are matching to a fault. What a guy!

I will truly miss my friend Jerry and value the time I spent with him on Canada-U.S. issues and on the Banking Committee, which has already been mentioned.

I learned one hell of a lot from you, Jerry. For that, I will be eternally grateful.

Senator Grafstein is a gentleman. He is a loyal friend, a great Canadian and an outstanding senator. We will miss him a lot here. We wish him much happiness and success as he moves on to his next interesting endeavour, whether it is in business, public service or both, as a broadcaster or a publisher, or even a mayor. Go for it, Jerry. Thank you for making this Senate a better place over the past 26 years.

Hon. David P. Smith: Honourable senators, I rise to pay tribute to my friend Jerry Grafstein, whom I have known for over 45 years. I even knew him in his twenties, if you can believe it. I was somewhat younger or you would be paying tribute to me today.

Those were the young Liberal days. When we look back on that period, we think of Lester Pearson, Walter Gordon, Keith Davey and the song with the lines, "Those were the days, my friend. We thought they'd never end." However, they did and we moved on.

We worked together on countless campaigns. In fact, I cannot resist mentioning one of them, the 1964 provincial leadership campaign. A man by the name of Andrew Thompson won; some honourable senators may have known him, though maybe not as well as you should have. In any event, those were the days.

Senator Cowan spoke about Senator Grafstein's legal career and Senate accomplishments. I want to touch on how he helped to make democracy work at the party level. If it does not work at the party level, then it does not work. There are people on both sides of the house, such as Senators Meighen, Finley, Nolin and Angus — whom have I left out? — who have all helped to make the Conservative Party and the Liberal Party work. Those two national parties are a form of glue that helps to keep the country together, and I believe that.

Senator Grafstein has done that work at all levels. At the riding level and then, in the 1968 leadership campaign, we had both been John Turner's executive assistants. Jerry came before me and then I worked for Turner. Many people do not realize that in the 1968 convention, Turner had the largest portion of the youth vote. Many people assumed that Trudeau did. It was a friendly convention with a good ending and everyone got behind Mr. Trudeau, however we had rounded up most of those young people to support John Turner.

Jerry has also been involved in the Red Leaf group that creates imaging, advertising and things like that.

Jerry gives new meaning to the word "energy." I do not need to explain that. All honourable senators know that. It is just simply there.

Another role I want to reference is the way in which he has somewhat filled the shoes of someone like David Croll, who was a patriarch of the Jewish community. Jerry has represented that community in a fair, balanced and, I think, objective way on lively issues. I fully and totally respect that. Those will be very hard shoes to fill.

Jerry has also been a friend. It is hard to believe now, but when he was appointed to the Senate in January 1984, I was in the other place. I hosted a dinner for him upstairs at Café Henry Burger with a dozen of his friends. We had another dinner for him last week and there were 25 times that number. The place was packed; it was a sell out; it was an extravaganza. You do not see too many shows like that — it was an incredibly tremendous tribute. None of us who were there will forget it.

• (1400)

Jerry, you will be missed. Yes, someone will succeed you and fill the seat, but they will not really fill it because you are irreplaceable. Some of your causes and issues have been

addressed but there are still motions and private members' bills that have not yet come to fruition. The seeds have been planted, watered and will be harvested. As time goes by, your legacy will be even stronger.

It will be on the record that Jerry's family was snowed out today. Carole will still kick him out of the house most days because he will have many other things to do.

All the best to the family and to you, Jerry. You will be missed. You are irreplaceable.

Hon. Joyce Fairbairn: Honourable senators, it is with both sadness and pride that I say farewell to a longtime friend and colleague, Senator Jerry Grafstein, who has energized the Senate. Certainly, he has energized our caucus ever since he entered this chamber in January 1984. He brought with him his skill as a lawyer and as a longtime political adviser for the Liberal Party in Toronto. He has been an icon in Parliament and in this chamber.

I first met Jerry in 1966 when he came to work with a vigorous new cabinet minister, the Right Honourable John Turner. He was a first-class assistant in helping to set up the Department of Consumer and Corporate Affairs. He was a young Liberal and full of advice. He is still a young Liberal. Not only was he full of advice and a great fundraiser, he was also profoundly admired by all of us. His passion for his city and his country is deeply rooted. His friendship with, and knowledge of our neighbour, the United States, has grown tremendously over the years. He is the longest-serving co-chair of the Canada-United States Inter-Parliamentary Group, with 15 years in that capacity. He is recognized not only as a senator but as a respected representative of this country, determined to maintain an open door when discussion and help are needed. When he is not deep in politics, he is an invaluable community organizer.

He spearheaded the slogan, "Canada Loves New York." Almost 30,000 Canadians heeded that slogan and went to New York to offer assistance after the 9/11 terrorist attacks. He is also well known for his work to bring the Rolling Stones to Toronto on July 30, 2003, as the disaster of SARS moved across our country. The concert had an attendance of about 500,000, including me. It was recognized as the largest outdoor ticketed event in world history. The concert was also noteworthy in my view because I saw, as I rolled in from Lethbridge, Alberta, that they were selling Alberta beef in support of the Canadian beef industry, which had been suffering because of mad cow disease.

All in all, Jerry has had a great life on the Hill. I remember how young we were — and still are — on the other side of this building, as were the Leader of the Government in the Senate and others. We were friends and we are still friends. In every sense, it has been a great opportunity for us to serve with him in Parliament, not to mention all the rest that he has done for the place he cares so much about, Toronto.

I thank you, Jerry, for everything you have contributed in the Senate for the last 26 years. We will miss you. I will miss you. I will miss watching the wonderful shirts that you wear, in particular the pink one. I remember that shirt and will think of you. All of us will miss you.

As you go, I hope that one day there will be a portrait gallery. I will be ready to support you in any way and anything that you wish to do, and to find your special events in the future, because you will have another great future. I tell you, Jerry, your presence here will never be forgotten.

Hon. Art Eggleton: Honourable senators, I hope you will not consider this a prop, but I have in my hand the *Order Paper and Notice Paper* that is before the house today. With the departure of Senator Grafstein, it is about to become a lot thinner because more than half the pages are taken up with motions introduced by Senator Grafstein. While some honourable senators might welcome that reduction, I think the chamber will be the poorer for not having all these contributions from Senator Grafstein. As is evident by reading this paper, he has done a great deal of research on the issues and commits to them with a great deal of conviction and passion. He has made an outstanding contribution to Canada in doing so.

As was pointed out, he made contributions outside the chamber in many of his organizations where he represented the Senate in Europe and in the United States with the Canada-U.S. Inter-Parliamentary Group. He has contributed outstanding work.

I cannot help but think that he quickly grasped the idea that someone with a title of "senator" would do well in relations with the United States where the title of senator carries much weight and opens many doors. He has been able to open many doors and meet and become acquainted with many people. He has used that strength to the benefit of this country in its relationship with the United States. We are so much better off because of the kind of contribution he has made.

I must mention Toronto, of course. Jerry was a strong supporter and adviser to me during my 11 years as Mayor of Toronto from 1980 to 1991. No mayor could have a better citizen of their city than Jerry Grafstein. No mayor could have a better builder, booster and promoter of a city than Jerry Grafstein. I was pleased to have been a mayor of a city that had him as its citizen.

Of course, his many contributions to Toronto have been cited by some of my colleagues this afternoon. I cannot help but mention, once again, the Rolling Stones concert in July 2003. By that time, of course, I was not mayor; I was here and was chair of the Toronto caucus. I was happy to lend my support. All kinds of people said to me: It cannot be done! They cannot organize a concert in 30 days with stars like that and expect 500,000 people to come. It is impossible.

Never tell Jerry Grafstein that anything is impossible, because he can do the impossible. That was another great contribution to Toronto in helping us to recover from SARS and to tell the world that Toronto was, indeed, a safe place to come.

• (1410)

Thanks to Jerry Grafstein's enormous effort, we are in the *Guinness Book of World Records*, as Senator Fairbairn said, for having the largest ticketed concert ever, and all organized in a short period of time.

Jerry, thank you for all those contributions to Canada, to international affairs and to human rights issues, which I know are close to you. I, above all, thank you for your contribution to Toronto. I look forward to a continuing friendship with you, Carole and your family.

Hon. Tommy Banks: Jerry, I will break ranks here and speak directly and personally to you, and briefly. You have heard from others and you will hear from others who are better equipped than I to articulate the ways in which you have made this place better. The Senate of Canada will be a different place without you. We will save a lot of trees, as Senator Eggleton pointed out.

I thank you personally because of the fact that, as we have heard, you have been moving at 200 miles an hour in every direction all the time, and despite that peripatetic nature, you have always been there to answer questions. You have been a valuable mentor to all of us, but to me in particular, throughout the past years that I have been here. I thank you for that.

In particular I thank you for your prescient understanding and grasp of the water problem. You alone, among all of us here in this place and in the other place, understand what is at stake here, and have tried to do something about this problem. I hope that we will be able to continue that valuable work for the good of our country. Thank you, Jerry.

Hon. Peter A. Stollery: Honourable senators, I will say a couple of words about Jerry, my old friend and sometimes seatmate, on a slightly different and brief note.

Jerry and I have been here for a long time. We have known each other for more years than I care to mention. Over those years, we have occasionally had disagreements, as people do. The characteristic of Jerry that I want to impart is that he has a great gift of never holding it against you when you have a disagreement. He is the most charming and easy-to-get-along-with guy after you have had a disagreement, of which we have had a few over these many years.

Jerry, I thank you for your company and your good humour.

Hon. Terry M. Mercer: Honourable senators, it is a pleasure to take part in a tribute to my friend Jerry Grafstein. I have known Jerry for much longer than I have been in the Senate. I knew him, obviously, when I was national director of the Liberal Party, and back in the days when I lived in Toronto and was a party activist there.

The description of Jerry being everywhere is absolutely true. We could spend the entire afternoon telling interesting and funny stories about Jerry. Some of them might be embarrassing, so we will leave those out.

I remember one specific day when I was in the Senate. Jerry and I met and talked about what I thought was an important problem. He agreed with me. He said, You know, we have to do something about this. I said, Yes, we will talk about this again.

The next day I came to the chamber ready to talk to Jerry. The Order Paper process was ongoing, and the next thing I knew, Jerry was standing up introducing a bill on the subject that we

had discussed. I was still discussing what to do and Jerry was doing it. That, indeed, was Bill S-217, to establish a national philanthropy day, which is now in committee in the other place and hopefully, will eventually become law.

Jerry, you have set such high standards for us, both for your energy and for knowing what to do. Senator Angus and Senator Fairbairn have talked about the standards you have set in the dress code here. The one good thing about your not being here is that we will not be measured against your sartorial standard.

I have been to Washington once with Jerry. I was travelling with the Standing Senate Committee on Agriculture and Forestry, under the then chair, Senator Fairbairn. Senator Len Gustafson — a Conservative senator from Saskatchewan, a great guy — and I were there, and Senator Tkachuk might have been there as well. There were two Canadian committees in town, so someone organized a reception for the Canadians with American senators and congressmen.

When we walked into the room, most of us did not know anyone, or we recognized a few faces that we had seen on television. However, when Jerry walked into the room, not only did he know everyone, but everyone knew Jerry. I am told a number of great stories about Jerry's ability not only to be known on Capitol Hill in Washington but also being known, or at least purporting to be known, in various good restaurants around the city of Washington.

You are a hard act to follow, Jerry. All of us in this chamber, on both sides, will miss your energy on the Canada-United States Inter-Parliamentary Group. The work that you have undertaken and the standards you have set, with which others are trying to keep up, will be long lasting. Also, much of the legislation that you have introduced has passed, or is in the process now.

As someone who has been in the Senate only six years, I hope that when my time is finished here, I can accomplish at least 10 per cent of what you have been able to do. Thank you, Jerry.

Hon. Jim Munson: Honourable senators, I asked this serious question this morning of the senator, and I will leave this question with you, Senator Grafstein. It is an extremely important historical question, and there is always a set-up guy in politics: What was Sir Wilfrid Laurier really like?

Hon. Jeremiah S. Grafstein: Honourable senators, thank you for those most generous words. My late father would have been surprised. My late mother would have said, "Not nearly enough."

Honourable senators, I have always been curious about the words, "maiden speech." By custom, it designates the first speech a parliamentarian makes when a parliamentarian enters a house of Parliament. What do we call a farewell speech in Parliament when we are no longer a maiden? I leave that to honourable senators' imagination.

It has been over 25 years since I was first summoned to the Senate by Mr. Trudeau. When he called to appoint me, he said, "We need you in the Senate; take your time, Jerry, to think about it."

I told the Prime Minister I did not need any time, that I accepted. "This is the greatest honour anyone has ever bestowed on me," I told him. "However, Prime Minister, I do have one question."

Mr. Trudeau laughed. "What is your question, Jerry?" he asked. I asked, "What did you mean when you said, 'We need you in the Senate?'"

Mr. Trudeau laughed again and I heard the phone drop. A second later he apologized and said he did not mean to laugh. He said, "Jerry, you are the very first person I have ever appointed who asked me why."

"Well, Prime Minister, why?" I repeated. "Why am I needed in the Senate?"

He responded so graciously, and he said these words — I made notes at the time: "You have provided me with great ideas. Now I want you to use the Senate as a platform to share those ideas with the Canadian public."

Honourable senators, I have tried. Sometimes I succeeded. Many times I failed. However, I have been motivated by three pieces of advice that Mr. Pearson gave me when I first entered politics and I sat beside him. He told me these three things: Aim high, work hard, and be fair.

Some time before my appointment, Mr. Trudeau told me at a meeting, "Jerry, you have great ideas, but you have not overcome one problem that you have."

"What is that?" I said. "I do not have any problems."

"Yes, you do," he said. "Each time you advocate a great idea, automatically and spontaneously, a coalition of 'antis' spring up to fight any good idea. Your job as a politician is to navigate around that coalition and get to the other side."

Then he said these words that I have never forgotten: "Never give up."

Honourable senators, each day when I awake at the Chateau Laurier, I say a short Hebrew prayer: *Modeh ani Lefanecha* — Thank God who has awakened my soul to live another day.

I walk a hundred steps from the Chateau Laurier across the historic bridge over the Rideau Canal and look up to the statue of my great political hero, as Senator Munson mentioned, Sir Wilfrid Laurier, and give him a morning salute. Then I take another hundred steps, past the East Block, and the most beautiful building in Canada looms into sight. What a sight it is. I see the Parliament buildings, the Peace Tower and, on top of it, the Canadian flag flying. I remember the courage of Mr. Pearson, who introduced the flag in the face of great division in this country. I swear every morning that I will do my very best that day for the privilege of serving in the Senate and here in Parliament.

• (1420)

Honourable senators, I have served under eight Prime Ministers and twelve leaders in the Senate. I want to thank all of my colleagues, but especially the current deputy leaders, Senator Tardif and Senator Comeau, who have the most complex jobs in the Senate. I want to say how much I admire both of them.

Hon. Senators: Hear, hear.

Senator Grafstein: Of course, I salute my own leader, the graceful Senator Cowan, and the Leader of the Government in the Senate, Senator LeBreton, both of whom lead us here so very ably. Thank you so much.

May I thank the reporters who have reproduced — do not be shocked — almost 5 million words of my speeches, resolutions, comments and reports.

I would be remiss if I did not mention the researchers of the Library of Parliament who have responded to my needs.

To Mark Audcent and to the legislative staff who drafted my bills, motions and resolutions with skill and professionalism, I thank you.

For the many courtesies offered to me by the Speaker, his predecessors, by the Deputy Speaker, and to all the table officers, my sincere appreciation for your patience and advice. I have learned much from all of you.

Of course my special appreciation goes to my executive assistant, who is sitting up in the gallery, Mary de Toro, who leads my mighty staff of one, the wisest woman on Parliament Hill who has kept me from making disastrous mistakes.

My first decision when I came to the Senate was what name and what designation I should use as senator. I chose my first given name, Jerahmiel, although people have called me Jerry. People have been curious about why that name and not my customary name, Jerry. Jerahmiel is mentioned only once in the Bible. He was the son of the last King of Israel. The name means "the mercy of God." It is meant to remind the holders of that name to remember that they are here to help the less fortunate. My other designation as senator is Metro Toronto, to remind me of the great city of Toronto and the regional base of the key of my responsibilities here.

What lessons have I learned in the Senate? Honourable senators, I will not predict the future. I have always worked hard in the past and in the present. In the process, I became a much better criminal lawyer, a substantial constitutional lawyer, as my friend Senator Nolin has become, and an expert international lawyer. The future, honourable senators, I leave to you.

The precious gift that the Fathers of Confederation bestowed on the Senate and senators was independence and the freedom to make choices. That is what Sir John A. Macdonald and the Fathers of Confederation gave each and every one of us. Most of my choices I shared with my party and my leader, and sometimes I disagreed and did as Mr. Trudeau advised, spoke my mind to the discomfort at times of my leaders and my colleagues on this side.

I have served on all the committees of the Senate, and I have been kicked off several committees several times when I did so, and I do not regret it. I always believed that the Senate acts best

when it is true to its mandate as a chamber of second sober thought. The Senate has always made mistakes when there has been a rush to judgment. "Principles and pragmatism," so said Lloyd George, "march best when they march together."

This chamber, following the teachings of the great Blackstone, is a chamber dedicated to checks and balances. To check and balance the executive and the other house of Parliament is our constitutional mandate. Hence, we should not place our trust blindly in government. Governments do what they do and do what they want and do what they must. It can be best summed up in Psalm 146: "Put not your trust in princes." We are here to speak truth to power. That is our constitutional duty.

I recall my maiden speech when I advocated an apology to Canadians of Japanese descent. Mr. Trudeau, who had just appointed me, disagreed. He argued that we cannot correct the past but can only improve the future. I disagreed with him on the facts. Citizens of Japanese origin had been deprived of their rights and property during the war, and there was no evidence whatsoever provided to me or to the Prime Minister at the time to call in or question their loyalty to Canada. I advocated for an apology, and ultimately it was given by Brian Mulroney, and I respect him for that.

I recall the extradition bill, as Senator Joyal pointed out, passed by a Liberal government in haste, with barely a debate in the other place. Under that bill, the Liberal Attorney General of Canada of the day would have had the power to extradite Canadians to a state that practiced capital punishment even though Parliament had abolished capital punishment under Mr. Trudeau after a fantastic and unbelievable fight across the country. The government wanted that bill. They wanted it then. They urged it was important because of pending decisions.

I disagreed, and so did my colleague Senator Joyal. Together, with other colleagues in this chamber, we kept that debate going for several months, but finally we succumbed to our leadership and to government pressure. Senator Joyal and I decided to make our arguments in the Senate at third reading as if we were arguing before the Supreme Court of Canada because we felt that that bill would be ultimately challenged and would be shown to be unconstitutional. We sent the Senate Hansard, a public document, to all the judges of the Supreme Court, and we were so pleased over a year later when the Supreme Court of Canada upheld our major arguments.

I remember another important debate on a resolution introduced in the other place declaring Quebec "a distinct society." The government introduced that resolution here shortly after the referendum. I angered my colleagues on this side, I angered the Prime Minister, I angered the leader of the Senate, my great friend Allan MacEachen, and other colleagues on this side, when I refused to support that resolution. I gave the shortest speech I have ever given in the Senate, and I repeat it here now: Canada is a distinct society. All the rest is commentary.

While Quebecers are different, so are Newfoundlanders, so are Acadians, so are hundreds and hundreds of Aboriginal tribes and many other groups in Canada. Honourable senators, I believed then and I believe now in one Canada, bilingual and multicultural — one Canada.

One of my most stimulating periods was as chairman of the Standing Senate Committee on Banking, Trade and Commerce

with Senator Angus as my congenial deputy chairman. Together, with a total consensus of all members on both sides, we did a number of important, sharp and pointed studies dealing with consumer protection of the financial securities sector, the volunteer and charitable sector, the demographic time bomb, stemming the flow of illicit money to Canada and others. Hopefully the work we commenced on hedge funds and derivatives, started well before the last financial meltdown, and the work on reducing interprovincial trade barriers to make Canada one dynamic competitive marketplace will be completed by others in the Senate.

Being a Canadian senator offers unique opportunities to travel and to participate in international affairs. One of my most satisfying experiences have been as co-chairman of the Canada-U.S. Inter-Parliamentary Group. I was elected to that office by members of Parliament in both houses for eight successive terms and served for over 16 years in that position.

The Canada-U.S. Inter-Parliamentary Group was founded in 1959 and recently celebrated its fiftieth anniversary. During my term in office, with the support of colleagues on all sides, bipartisan, we transformed that organization from one annual meeting with the Americans to an active, vigorous advocacy group meeting with state legislators, governors in every corner of America, in addition to regular meetings on Capitol Hill in Washington with congressmen and senators to advocate one thing, Canada's interest.

We learned that all politics are local, and so we have to work at the local level in the United States, and hence our meeting with state officials and governors. All problems in the United States affecting Canada start at the local level and, if detected early enough, can be diluted if not resolved.

After each meeting, honourable senators, as I will do later today, we tabled a complete report of our activities to the Senate to ensure that the senators who were interested could benefit from our experience. We were not there to represent ourselves. We were there to represent Canada, and that is why we tabled these reports.

I want to thank my current co-chair in the house, Gord Brown, and my current American co-chairs, Senator Amy Klobuchar of Minnesota and Congressman James Oberstar of Minnesota, who is the only member of our group who has served the Canada-U.S. Inter-Parliamentary Group longer than I.

• (1430)

When I first came to the Senate, I was able to travel to a number of international organizations consistent with my work on the Standing Senate Committee on Foreign Affairs and International Trade, where I and my colleague Senator Stollery have been the longest serving members. I decided that I would focus my activities where Canada and the United States both had a vote, the Organization for Security and Co-operation in Europe, Parliamentary Assembly, which flowed out of the Helsinki Accord in 1974, currently with 56 member states from Vladivostok to Vancouver. There I became an active member

on the executive and served as an elected member for 15 years. This organization is the largest parliamentary assembly dedicated to human rights, economic rights and democratic rights in the world.

I became a witness to history serving as one of the heads of election monitoring in Russia, Ukraine during the Orange Revolution, Georgia during the Rose Revolution and on the Independence Referendum for Montenegro and many others. Senator Di Nino has also served on a number of those committees with great skill and expertise.

I learned how precious democracy is and how important democracy building is for the future of the world. I worked closely with elected presidents of the assembly, and I want to pay special tribute to two recent presidents: Congressman Alcee Hastings of Florida and João Soares, the head of the Portuguese Delegation and current Vice-President of the OSCE Parliamentary Assembly, who have done outstanding work travelling the length and breadth of the OSCE space. We have become great personal friends.

A spark plug in this organization, which is headquartered in Copenhagen, is Spencer Oliver, the long-serving Secretary General, who is the most brilliant and knowledgeable American I have ever met, with a deep and penetrating insight into foreign affairs. He has become one of my closest friends in public life.

While at the OSCE PA, I served as leader of the Liberal group there, and I finally resigned this year after 12 years. They elected me as Liberal Leader Emeritus Perpetual, a title I will cherish all my life. I do not kid myself: I achieved these offices overseas because I was Canadian, because the world respects Canada and Canadians who represent Canada.

I think the Senate should have a brief explanation, particularly those senators who have been mildly critical of the numerous OSCE resolutions combating anti-Semitism on the Order Paper that I tabled and that are still on the Order Paper. Why those many resolutions?

After the Berlin Wall came down in 1989 — and I was in Germany before and after the wall came down — I thought I would finally close my dossier on anti-Semitism. There was hope for a new world order. But it was not to be. The UN had passed an invidious resolution equating Zionism with racism. Anti-Semitism was on the rise not only across the face of the earth and around the globe, not only across Europe, but also in South America and in Canada. In 1994, a diligent congressman from New Jersey, Chris Smith, approached me to work on a resolution to combat anti-Semitism and to present it to the OSCE parliamentary assembly annual meeting. I agreed. We were joined by Congressman Steny Hoyer, now the majority leader of the Congress and one of the most powerful men in the United States, a good friend; Congressman Alcee Hastings; Congressman Ben Cardin, now a senator from Maryland; Gert Weisskirchen of the German Parliament and parliamentarians from Italy, France, Austria, Ukraine, Poland and others.

That first resolution was passed by a bare majority. Thereafter, across the face of Europe, in Copenhagen, twice in Berlin, Oporto, Cordoba, Rotterdam, Edinburgh, Vienna, London, Rome, St. Petersburg, Kazakhstan, Madrid, Washington and so forth, we continued the thrust of those resolutions, parliamentary, ministerial and side meetings.

There were two chilly experiences. I spoke on these resolutions in the Berlin Reichstag at the very podium where Hitler had declared the Nuremberg Laws in 1933. I spoke in the Hofberg Palace at the very same place in Vienna where Hitler announced the Anschluss between Germany and Austria in 1938 that most historians agree ignited World War II. This work continued, meeting after meeting, and finally, honourable senators, I brought one of these resolutions to the Senate in 2002. It was passed in 2004 and was referred to the Standing Senate Committee on Human Rights. That committee held meetings for a day or so, and then, without explanation, decided not to complete its work. It is the first time I can recall that a resolution passed by the Senate was not followed by a committee of the Senate. I urged members of the committee to complete their work, but without success. I decided to put down resolution after resolution on the Order Paper until there could be some closure and conclusion to this matter. I was pleased some years ago that the UN would use those very resolutions to hold a one-day conference on anti-Semitism, the first of its kind at the UN. I was delighted when the British Parliament did a landmark study on this topic several years ago and published it. I am pleased that, finally, parliamentarians on the other side, under the leadership of Mario Silva and Scott Reid, are holding hearings on combating anti-Semitism. I live in hope that the Senate will consider its findings and add its considerable expertise and credit to its recommendations.

I have learned two things about this topic, “anti-Semitism,” the oldest of all prejudices. First, that discrimination starts with Jews, but never ends with Jews, as one great Danish Prime Minister once said. Second, what to do? Education is the answer. The Nobel Prize winner Elie Wiesel said these words at the Berlin conference: “You can teach a child to love or you can teach a child to hate.” So education is an answer.

A word about Senator Di Nino: I admire very much his work with respect to human rights not only at the OSCE but also with respect to the Dalai Lama. He has been a great and compatible companion at the OSCE, and he will continue to do great and important work over there. My congratulations to him.

Senators, I am coming to the close, but before I end, I would like to say a word about the current atmosphere in the Senate that I dislike. While I am as partisan — as everyone knows — as any senator, and will vigorously attack on behalf of my party and on behalf of my principles, I also believe in political companionship and congeniality that rises above partisan politics.

I do not enjoy those who downgrade the Senate, the institution we are all privileged and summoned to serve. I have made good friends on both sides of the aisle here and in the other place.

I take my leave of this hallowed hall with no regrets. I tried my best, and if I failed, I have failed trying to do my best.

Honourable senators opposite will forgive me if I remind them that my great parliamentary hero was and is Sir Winston Churchill, whose printed works and speeches I have read avidly. When Britain was in the most desperate straits in the early part of the World War II, he gave this advice to his colleagues, and this is my advice to my colleagues on this side: KBO, keep buggering on.

As for my colleagues on the other side, I recall that Sir Winston Churchill in his dotage confessed that he had always been a Liberal. Good advice.

If I have succeeded, I owe it to my late father and the great mentors I have encountered in politics: Mr. Pearson, Mr. Trudeau, Mr. Turner, Mr. Chrétien and Mr. Martin, and, of course, Keith Davey, our former colleague, who taught us all on this side to love the Liberal Party.

I will not say goodbye, but au revoir. On January 2, I start my third act. Regretfully, you have not heard the last of me yet.

To my wife who might feel trepidation on my return to Toronto: Do not worry. I have lots of new projects that will keep me eternally occupied.

All the very best to all of you, Godspeed and thank you so much.

Hon. Senators: Hear, hear!

• (1440)

ROUTINE PROCEEDINGS

CANADA POST CORPORATION ACT

BILL TO AMEND—FIRST READING

Hon. Robert W. Peterson presented Bill S-244, An Act to amend the Canada Post Corporation Act (rural postal services).

(Bill read first time.)

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

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

CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

COUNCIL OF STATE GOVERNMENTS—ANNUAL MEETING OF MIDWESTERN LEGISLATIVE CONFERENCE, AUGUST 9-12, 2009—REPORT TABLED

Hon. Jeremiah S. Grafstein: Honourable senators, I have the honour to table, in both official languages, the report of the Canadian parliamentary delegation of the Canada-United States Inter-Parliamentary Group respecting its participation at the Council of State Governments Sixty-fourth Annual Meeting of the Midwestern Legislative Conference, held in Overland Park, Kansas, United States of America, from August 9 to 12, 2009.

CANADIAN/AMERICAN BORDER TRADE ALLIANCE CONFERENCE, SEPTEMBER 20-22, 2009— REPORT TABLED

Hon. Jeremiah S. Grafstein: Honourable senators, I have the honour to table, in both official languages, the report of the Canadian parliamentary delegation of the Canada-United States Inter-Parliamentary Group respecting its participation at the Canadian/American Border Trade Alliance Conference, held in Washington, D.C., United States of America, from September 20 to 22, 2009.

THE SENATE

NOTICE OF MOTION TO URGE GOVERNMENT TO CREATE A RURAL CANADIAN POSTAL SERVICE CHARTER

Hon. Robert W. Peterson: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Senate urge the government to immediately introduce legislation that will amend the *Canada Post Act* and create a Rural Canadian Postal Service Charter that achieves the following principles:

- (a) Canada Post will maintain a postal system that allows individuals and businesses in Canada to send and receive mail within Canada and between Canada and elsewhere. Canada Post will provide a service for the collection, transmission and delivery of letters, parcels and publications;
- (b) the provision of postal services to rural regions of the country is an integral part of Canada Post's universal service;
- (c) Canada Post Corporation will place a moratorium on the closure, amalgamation and privatization of rural post offices;
- (d) Canada Post Corporation will deliver mail at rural roadside mailboxes that were serviced by that corporation on September 1, 2005; and
- (e) Canada Post will establish and promulgate complaint resolution processes that are easily accessible to customers and will address complaints in a fair, respectful and timely manner.

QUESTION PERIOD

TREASURY BOARD

PUBLIC APPOINTMENTS COMMISSION SECRETARIAT

Hon. Joseph A. Day: Honourable senators, my question is for the Leader of the Government in the Senate.

Today is the third anniversary of the passing of the Accountability Act by Parliament. Honourable senators will know that since that date, there has been the appointment by the Harper government of over 3,000 positions to courts, boards, quasi-judicial tribunals and Crown corporations without competition and not according to the Public Service Commission merit principle.

Honourable senators will know as well that there was, in the Accountability Act, a provision for the appointment of a Public Appointments Commission and that in one of our amendments at that time, we had asked that that be a mandatory requirement. We supported that amendment but, unfortunately, the government at the time refused to accept it stating it would limit the capacity of the government or the Governor-in-Council to organize the machinery of government, specifically with respect to the establishment of the Public Appointments Commission.

There has not to this day been an appointment of a Public Appointments Commissioner or the commission, and that is after three years, honourable senators. What concerns me is that we are being asked to vote on a secretariat for this commission each time that we receive the Main Estimates.

Can the Leader of the Government in the Senate tell us when we might expect these positions to be filled?

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): Honourable senators, I thank the senator for the question. As honourable senators know and as Senator Day's colleague Senator Downe knows, the community of order-in-council appointments numbers in the 3,000 to 4,000 people range, although it is much lower now as compared to the past.

All of the appointments that the government has made have been, as was pointed out, vetted through a process in the Prime Minister's Office and the Privy Council office. There is a secretariat there. No person has been appointed by this government who has not been properly vetted by this secretariat. No person has been appointed by this government whose qualifications for that appointment have been questioned.

We are very proud of the appointments, which include people of all political stripes. As the honourable senator knows, with regard to quasi-judicial boards, a process has been put in place whereby people who apply, whether to the National Parole Board or to the Immigration and Refugee Board of Canada, are given a rigorous written exam, and people do not get appointed unless they pass that rigorous exam.

As the honourable senator well knows, our government did come forward with a qualified individual to head a review board for public appointments at the salary of \$1 per year. Gwyn Morgan, of course, was that individual and was subsequently voted as Canada's top businessman. The opposition in the other place decided to play games with that nomination and rejected the appointment. The government fully intends to live up to the commitment made in the election campaign last fall concerning the Public Appointments Commission. Having said that, we are just one year into the new mandate, and I want to assure Senator

Day that there is a very good secretariat working in the Privy Council Office and the Prime Minister's Office who carefully vet these appointments.

With respect to throwing out a number of 3,000, Senator Downe could tell honourable senators that is a normal turnover of appointments and re-appointments each year. I am proud of the fact that all those appointments have turned out to be well qualified and credible citizens in their various positions. As I stated, these people have been appointed, re-appointed and represent all political affiliations.

Senator Day: Honourable senators, the leader has referred to the April 2006 process known as a consultation with Parliament in the proposed appointment of Mr. Morgan. Honourable senators will know that that was before the legislation was passed. Yet, the legislation went through, was passed and accepted with the 80 amendments that we put forward to improve it. We supported the appointment commissioner.

Is the honourable senator now saying that we should not have included that section, that the government is content to rely on the secretariat and that the promise that the Prime Minister made to the people of Canada will not be fulfilled with respect to this position?

Senator LeBreton: Honourable senators, I am not saying that at all. I said the government fully intends to live up to the commitment to appoint a Public Appointments Commission.

• (1450)

It really takes chutzpah by the Liberal Party when, on this very day, in today's *Globe and Mail*, there is a huge story about Alfonso Gagliano and the sponsorship scandal, to ask me about accountability.

ENVIRONMENT

CLIMATE CHANGE POLICY

Hon. Grant Mitchell: Honourable senators, I am not asking for accountability; I am asking for an answer. Yesterday, I asked the Leader of the Government in the Senate a question and I listened intently; I am pretty sure I did not get an answer. I have been inspired by the advice that Senator Grafstein said he received from Pierre Elliot Trudeau, which is to never give up.

Could the Leader of the Government in the Senate please tell me about her own position — I am not asking about anyone else's — on the science of climate change. Does she believe that climate change is occurring and that human activity has created it, yes or no?

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): Honourable senators, I get it. The honourable senator thinks Jeff Simpson was talking about me. That is obviously what he thinks. As I mentioned yesterday, the last time I looked, Jeff Simpson was not sitting in the cabinet room.

I support fully the efforts of our government. As I said, Canada is committed to working constructively in Copenhagen. This was confirmed, by the way, today by Mr. de Boer, the Executive

Secretary of the United Nations Framework Convention for Climate Change, who said that Canada has been negotiating very constructively in the process.

Canada will do its fair share and wants to see an agreement in Copenhagen. It is in our interests, and our negotiators are there, working very hard toward this goal.

If Senator Mitchell really cared to find out what was going on in Copenhagen, he would check in each day. Our lead negotiator provides briefings to the media, updating the media in this country and others on the status of the negotiations thus far. It would be a simple matter of tuning in to what he has to say to get the updates.

Canada is there and negotiating in a very appropriate and proper way. We want this to work, and I support fully the government's initiatives in this regard.

Senator Mitchell: I did not ask the leader about Copenhagen. I am asking this because it is so profoundly important that the people in decision-making leadership roles, such as the leader and her cabinet, have a fundamental belief that climate change is occurring and that it is human derived, or they will not do it; they will not get it done.

I return to the question that I would like the leader to answer. Is she, in her reluctance to answer my question, revealing that she does not believe that climate change is occurring or she does not believe that it has been caused by human activity? Could she tell me that?

Senator LeBreton: Honourable senators, I will do nothing of the sort. I do not have to answer to Senator Mitchell. I have to answer to my colleagues in cabinet, and to answer to myself when I look in the mirror.

Senator Mercer: Your silence speaks volumes.

Senator LeBreton: I did not think I was being silent. When one talks about silence, Senator Mercer is one person to whom that does not apply.

In any event, I fully support the government. I believe that Minister Jim Prentice is doing an outstanding job representing the collective interests of the government. All of his cabinet colleagues and all of our government support Minister Prentice and our negotiators in Copenhagen in their efforts, as will the Prime Minister when he goes there next week.

Senator Mitchell: One thing that I think we can all agree on is that it is difficult for the government to do what it needs to do on a tough issue like climate change, unless there is the sense amongst the population, amongst the electorate, to give the leeway to do what needs to be done.

You spent \$100 million advertising your projects under the stimulus package. Has the leader, her government or any of you considered spending some program funds to educate Canadians on the fundamental severity of climate change, the implications of it for the very future of this country, our economy, our jobs, our children and our grandchildren, to create a broader understanding amongst the electorate and get the leeway to do what you need to do?

Senator LeBreton: Honourable senators, I do not know where Senator Mitchell has been the last couple of years.

Senator Mitchell thinks he is pretty cute, but he is not.

An Hon. Senator: He is just a little cute kid.

An Hon. Senator: His mother thinks so.

Senator LeBreton: I very much doubt that.

The government has invested in many initiatives with regard to the environment, including increasing our lands in national parks and our clean energy dialogue. We are working with the United States, with industry and new technologies. Minister Prentice has spent the best part of the last year going around the country consulting provinces. Much work has been done on this front and it is going to pay off.

Minister Prentice is in Copenhagen and the Prime Minister will be there. People in this country, like most people, want to see an agreement. We are working towards an agreement, but people also believe that Canada is in a North American context. We work very closely with the United States. I believe every person in this country wants to see an agreement. They want to ensure that any agreement we commit to we will live up to, unlike the previous government, and that all players are at the table, including the United States, India, China and Brazil.

Hon. Lorna Milne: Honourable senators, my question is, of course, directed to the Leader of the Government in the Senate.

Actually, I think Senator Mitchell is rather cute.

I know that the leader understands that international agreements are only the first step in reducing emissions. It is what happens as a result of those steps, the choices that governments, industry and citizens make at home, that will have the biggest impact.

The fact remains that this government has had almost four years to take action on climate change. During that time, Canada has become a laggard rather than a leader.

When will this government release the details of a clear climate change policy? We need the policy; only then will we know what we are talking about. Why has the government gone to Copenhagen with no plan in hand and nothing more than the two words, "me, too"?

Senator LeBreton: Honourable senators, the chutzpah continues.

An Hon. Senator: You are cute, too.

Senator LeBreton: No, I do not say I am cute and I do not think I am cute, either. When you say you are cute and you think you are cute, that is the real danger.

The fact is, honourable senators, that Senator Milne was part of a government that signed on to an agreement and that, almost immediately after signing it, admitted they had no intention of living up to it, to the point that emissions increased by

30 per cent. I need no lectures from Senator Milne for what we will be doing in Copenhagen. She is well aware of the various initiatives the government has taken on the climate change front.

Since the honourable senator will not be here much longer, I will repeat it so that perhaps she can take it away and think about it.

• (1500)

Canada is committed to working constructively in Copenhagen and I quoted Mr. de Boer today saying we are doing just that. We will do our fair share and want to see an agreement. It is in our interests, and our negotiators are there to work towards this goal.

The government invited the provinces and territories to attend as part of Canada's delegation, and Minister Prentice consulted with them in the lead up to the meeting. As I said many times, we want a binding agreement on all the major emitters. By the way, Minister Prentice is the first minister to so consult the provinces.

Our targets are clear and realistic. Our government supports an approach that achieves real environmental and economic benefits for Canada. We need to work closely with the United States towards a North American approach due to the integrated nature of our economies. Working together only makes sense.

On Monday, we released draft regulations to limit greenhouse gas emissions from new vehicles beginning in the 2011 model year, which will help to create a common North American approach. President Obama has confirmed U.S. targets that are virtually identical to our targets. Of course, it is in our interests to work closely with the United States and with President Obama. As honourable senators know and as has been reported in this place before, this is all being done through our clean energy dialogue.

Senator Milne: As a supplementary question, I believe the minister has confirmed the "me, too" approach. The leader talks about four years ago. Four years ago, the Conservatives cancelled the Liberal plan and have done nothing since. Suddenly, they have seen the light.

When will it be admitted that this plan spoken of is nothing more than a myth?

Senator LeBreton: Honourable senators, one cannot cancel something that is not there. Even the Liberal leader said they did not get it done. As Eddie Goldenberg pointed out in his book — and who was closer to Prime Minister Jean Chrétien than Eddie Goldenberg — they signed the agreement knowing full well they had no intentions of living up to the agreement.

Do not tell us we are being "me, too." We are working closely with the administration of President Obama. It is in our interests to work closely with the Americans. We live on the North American continent. Our inter-related economy requires close relations. Only a fool would suggest that we would sign an agreement —

Senator Mercer: "Me, too."

[Senator LeBreton]

Senator LeBreton: — when our biggest trading partner and the people we have an integrated economy with does not. Obviously, it is in the interests of both Canada and the United States to approach this subject from a North American context.

Senator Comeau: Right on.

FINANCE

POVERTY LINE

Hon. Jeremiah S. Grafstein: Honourable senators, I have another question on a previous topic I have raised with the Leader of the Government in the Senate. There was a curious debate last Friday on the editorial page of a paper that often supports the government, the *National Post*. In an editorial, the debate concerned whether the percentage of people falling below the poverty line in Canada was 11.7 per cent or 12.5 per cent.

Frankly, I found that editorial amazing, but if the numbers are calculated, somewhere between 3,300,000 and 3,600,000-plus people in Canada are now living below the poverty line. It is clear to everyone, including economists, and the United States, in particular, that the stimulus package is not really helping the people at the poverty line or below it.

The question I ask of the government is: Having looked at the question for some time, has the government now thought of responding in a more targeted way to help those people who are living with children below the poverty line in Canada? It is a national disgrace.

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): I read the articles the honourable senator referred to. There is a great debate, as honourable senators know, as to the poverty line, or the low income cut-off, LICO, as they call it, and the definition some people attach to poverty, as opposed to others. I have read the whole debate.

Honourable senators, as I have said before, the government has many programs and initiatives to deal with people living with low income, below the poverty line, the poor and the homeless. I have listed them here many times. There is not an easy answer to deal with issues like this one; a host of reasons — living conditions, lack of education, remoteness and the state of their health — come into play.

I have put on the record many times, and also in written answers, the efforts of the Department of Health, the Department of Human Resources and Skills Development, the Department of Indian and Northern Affairs, tax measures the government has taken, the whole issue of work-sharing on the Employment Insurance side, and, of course, the payment to families with young children. There is a host of initiatives by the government. Collectively, we all work towards reducing poverty levels.

However, to answer the honourable senator's specific question, though I believe I have done this, honourable senators, I will again compile all the information from all the departments working collaboratively on the issue of poverty in Canada.

Senator Grafstein: Senator Eggleton recently tabled a magnificent study on poverty in Canada. He listed 74 recommendations. He has advised us and other colleagues that implementing the recommendations does not involve new money, so it will not affect the deficit. The recommendations are a series of unique, time-tested and professionally-tested programs to re-approach the federal government in its outreach to the poor.

I hope that the honourable senator and the government will take a look at those recommendations as soon as possible so we can move as quickly as possible to see if we can lift any of those people out of the poverty they now suffer from.

Senator LeBreton: Senator Grafstein, as is the case with all studies in the Senate, the government looks at these reports. They are considered by cabinet and responses are prepared and given to these reports. I can assure the honourable senator that the recommendations brought forward by Senator Eggleton and contributed to by many people on both sides will be looked at seriously.

[Translation]

OFFICIAL LANGUAGES

LINGUISTIC DUALITY AT 2010 OLYMPIC GAMES AND VANCOUVER INTERNATIONAL AIRPORT

Hon. Claudette Tardif (Deputy Leader of the Opposition): Honourable senators, my question is for the Leader of the Government in the Senate. The Standing Senate Committee on Official Languages has been studying the respect for and promotion of linguistic duality at the 2010 Olympic Games for over two years now. In report after report, the committee has expressed concern about preparations for the games. Commissioner Graham Fraser has also expressed concern.

Yesterday, with just 65 days to go until the games, Graham Fraser indicated that linguistic duality might not be fully respected. Plans for roving bilingual teams have not yet been announced, the agreement between VANOC and the Translation Bureau has not yet been signed, and the Vancouver airport cannot yet adequately meet the need for services in French.

Can the government leader tell us when the plans will be announced, when the agreement will be signed, and when the airport will be able to provide appropriate service to francophone visitors?

[English]

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): I noticed in the honourable senator's question that she stated the Commissioner of Official Languages said, "might." I disagree with that. Although he has not indicated that the scenario the honourable senator paints will come to pass, obviously the Commissioner of Official Languages does not necessarily support that scenario when he uses the word "might."

• (1510)

I have answered this question before, honourable senators, and this is an issue that the government takes seriously. Minister Moore has worked on this issue and consulted with the

Commissioner of Official Languages. I wish to assure Senator Tardif, and all honourable senators and parliamentarians, that Canada's 2010 Olympic and Paralympic Games will be bilingual and will respect both official languages of this country. This includes the opening and closing ceremonies, the Cultural Olympiad, the torch relay and every Olympic site.

We expect the organizing committee, VANOC, to deliver on this, and it is working to ensure that this will happen.

In September, Minister Moore announced \$7.7 million in funding to VANOC to provide translation services for the games. That was over and above monies that had been expended before.

We have invested over \$30 million to ensure the success of the Richmond Oval and other Olympic sites. Each venue will have bilingual signs and the Richmond Oval will be no different.

At all levels of the games, whether it is the bilingual component or the security services, all the people involved in the games will truly respect Canada's linguistic duality. The government has made that commitment and I believe it will be living up to it.

[Translation]

Senator Tardif: Honourable senators, the Vancouver airport officials have proposed the following approach to providing services to francophone visitors: distributing cards with pictograms to airport employees.

According to the *Canadian Oxford Dictionary*, a pictogram is defined as:

A pictorial symbol or sign.

Pictograms are stylized figurative drawings that represent written language but do not transcribe spoken language. Has French in Canada been reduced to a written language that can be expressed through pictograms with no active spoken offer?

When will Vancouver airport employees receive language training so they can actually speak to francophone visitors?

[English]

Senator LeBreton: The Vancouver International Airport is a privately run organization. Having said that, Minister Moore has had countless meetings with officials at the airport. He has walked through the airport. He has made note of many areas in the airport that are not bilingual. He has gone back to the airport. He is doing everything humanly possible that a government can do, and is working with VANOC — because VANOC has an interest in this — to ensure when people arrive in Vancouver at the airport, that Canada's linguistic duality is front and centre.

As honourable senators know, when one arrives at Vancouver Airport, there are many other languages as well. However, we are an officially bilingual country and the government, in cooperation with VANOC and the Vancouver Airport Authority, is taking every step possible to ensure that the signage and directions at Vancouver Airport are bilingual so that people arriving will be serviced in one or other of Canada's official languages.

ORDERS OF THE DAY

BUSINESS OF THE SENATE

Hon. Gerald J. Comeau (Deputy Leader of the Government): When we proceed to Government Business, I would like to call Reports of Committees, No. 4, and then proceed with the other items as they appear on the Order Paper.

[Translation]

POINT OF ORDER

SPEAKER'S RULING

The Hon. the Speaker: Honourable senators, on December 8, Senator Comeau rose on a point of order respecting the twelfth report of the Standing Senate Committee on National Finance, which proposes amendments to Bill C-51, An Act to implement certain provisions of the budget tabled in Parliament on January 27, 2009, and to implement other measures. The report had been presented earlier in the day and ordered placed on the Orders of the Day for consideration at the next sitting.

[English]

Senator Comeau's concern was, in essence, that the amendments contained in the report were not relevant to Bill C-51. He referred to the second edition of *House of Commons Procedure and Practice*, which, at pages 766 to 767, notes that: "... an amendment is inadmissible if it proposes to amend a statute that is not before the committee or a section of the parent Act, unless the latter is specifically amended by a clause of the bill." Similar limitations are to be found at citation 698(8) of Beauchesne, which states:

(a) An amendment may not amend a statute which is not before the committee;

(b) An amendment may not amend sections from the original Act unless they are specifically being amended in a clause of the bill before the committee.

[Translation]

Senator Comeau explained that the report's amendments deal with the Bankruptcy and Insolvency Act. Although Bill C-51 does propose amendments to that Act, the sections that it would amend are different from those in the report. As such, he argued that the amendments in the report are out of order.

A number of other senators participated in debate. Some suggested that, since Bill C-51 opens the Bankruptcy and Insolvency Act, any sections of that Act can be amended. Other senators, on the other hand, emphasized the importance for committees not to exceed their mandates. There were also some concerns expressed about the wide-ranging nature of some recent Budget Implementation Acts. Finally, Senator Ringuette, who had moved the amendments in committee, spoke to defend them.

[English]

As honourable senators know, an amendment moved in committee must respect the principle and scope of the bill, and must be relevant to it. It may generally be helpful to view the

principle as the intention underlying a bill. The scope of the bill would then be related to the parameters the bill sets in reaching any goals or objectives that it contains, or the general mechanisms it envisions to fulfil its intentions.

Finally, relevancy takes into account how an amendment relates to the scope or principle of the bill under examination. An amendment must respect the principle of the bill it seeks to amend, must be within its scope, and must be relevant to it.

As Senator Comeau noted, normal practice is that an amendment should not be moved that would amend an existing act, unless the bill under consideration proposes that the act be amended.

What is more, in general, only those aspects of the original act that are already to be amended by the bill are subject to further amendment. In the Commons, this appears to have been interpreted in a very rigid manner; that is to say that amendments that fail to respect these criteria, even if they are directly relevant or perhaps seek to correct something overlooked in error, are not acceptable.

[Translation]

As is often the case, and reflecting its unique approach, the Senate has not been so rigid on this point. Although the issue only comes up very rarely, practice here has tended to be that a proposed amendment to a bill amending an existing Act may deal with sections of the original Act that are not amended by the bill, provided that there is a strong and direct link between an existing clause of the bill and the change to the original Act that the proposed amendment seeks to affect.

• (1520)

This said, the summary of Bill C-51 indicates that the amendments it proposes to the Bankruptcy and Insolvency Act are "to correct unintended consequences resulting from the inaccurate coordination of two amendment Acts." The amendments proposed by the twelfth report, on the other hand, deal with unfunded pensions of retirees and employees when a corporation files for bankruptcy, placing them on the same level as creditors. Without in any way speaking to the desirability of the changes proposed by the report, they exceed the quite limited nature of the amendments the bill proposes.

[English]

The ruling is that the point of order is established, and the amendments that the report proposes are out of order.

Since the report only contained amendments that have been determined to be out of order, the content of the report is evacuated. In consequence, the report proposes no amendments to Bill C-51 and, under rule 97(4), therefore stands adopted. The next question that must be put to the Senate is therefore the procedural one of "When shall this bill be read a third time?" To be clear, this is for third reading of the bill without amendment.

Honourable senators, I will then put the question.

Hon. Pierrette Ringuette: Your Honour, if I may, before you put the question for third reading, I do not agree with your ruling. Nevertheless, I will accept it. With the blessing of 6 million Canadian workers and retirees who have underfunded pension plans, I wish all of you a very merry Christmas.

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

[Translation]

Hon. Gerald J. Comeau (Deputy Leader of the Government): With leave, now.

Hon. Claudette Tardif (Deputy Leader of the Opposition): No.

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

[English]

TAX CONVENTIONS IMPLEMENTATION BILL, 2009

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Greene, seconded by the Honourable Senator Manning, for the second reading of Bill S-8, An Act to implement conventions and protocols concluded between Canada and Colombia, Greece and Turkey for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

Hon. Wilfred P. Moore: Honourable senators, it is my pleasure to rise today to speak to Bill S-8.

I would like to commend my colleague Senator Greene on his words of explanation regarding this bill, which allows for more brevity on my part.

As the global economy grew more integrated, a treaty on international taxation was sought to deal with the problems of double taxation and tax evasion. The OECD began to address these issues in the 1950s, eventually creating the Model Tax Convention on Income and on Capital. Since then, more than 3,000 tax treaties have been put in place worldwide. Simply put, the model tax convention establishes a guide under which countries can harmonize their double tax treaties.

If a Canadian company sells its goods in another market and at home, there is the possibility that it would end up paying tax at home and abroad. As Senator Greene mentioned, not only is such double taxation unfair to the company, it also causes major problems in international trade.

Tax treaties prevent these problems in several ways. I quote from my briefing book:

Tax treaties allocate taxing rights between two countries by resolving the issuance of residence where a taxpayer would be considered a resident of both countries. With respect to

each category of income, treaties assign the primary right to tax to one country, usually but not always the country where the income arises. A residual right to tax is usually but not always assigned to the country of residence.

Treaties provide rules for determining which country will be treated as the source country for each category of income.

Lastly, treaties also provide rules limiting the amount that the source country can impose on each category of income and places the onus on the resident country to eliminate double taxation.

A dispute mechanism is included as well that seeks ultimately to avoid double taxation by having representatives from each of the countries arrive at a mutually satisfactory resolution regarding outstanding issues. I believe the 2008 model update to the model tax convention introduced a “mandatory binding arbitration provision to resolve difficult issues.”

Senator Greene mentioned that these treaties also deal with the issue of excessive taxation through the reduction of withholding taxes. Maximum levels are set for these withholding taxes and, in fact, Canada often seeks the outright elimination of withholding tax for some types of income.

All in all, these tax treaties, including the three we are dealing with today in Bill S-8, are meant to enable an easier international tax regime between Canada, Colombia, Greece and Turkey. To do so under the rules as set out under the OECD’s Model Tax Convention on Income and on Capital, I support this bill and look forward to further discussion in committee.

I would be remiss, however, if I did not comment on Senator Greene’s words regarding the state of Canada’s economy prior to entering this worldwide recession. He said:

It is important to remind honourable senators that while we have been impacted by the current global recession, Canada is facing this downturn in an enviable position.

What Senator Greene did not mention is who was responsible for preparing this country for such a financial downturn. If it was not for the actions of the previous Liberal governments of Prime Minister Jean Chrétien and Prime Minister Paul Martin, Canada, indeed, would not have been able to weather such a storm, and to weather the storm despite the actions of the current government.

When the Conservative opposition of the day, including Stephen Harper, was calling for deregulation of Canada’s banking system, it was Jean Chrétien who refused to loosen the rules. It was he who refused to let the charter banks merge, thereby preventing the disaster that occurred to our southern neighbours. Today, we hear the government quoting the international community regarding our enviable financial system. Canadians would be in a gigantic mess if it were not for that Liberal government holding firm.

One of the first moves by this Conservative government was to deregulate the mortgage industry in Canada. The Minister of Finance opened the industry to new players, such as AIG, saying: “These changes will result in greater choice and innovation in the

market for mortgage insurance, benefiting consumers and promoting home insurance.” It took the government an entire year to deal with the problem they had created. Despite warnings from both private and public sources, the sad end result would be the Canadian taxpayer being saddled with the debt created through the actions of this government.

The Prime Minister and the Minister of Finance denied the existence of a recession. Indeed, the Finance Minister appeared before the Standing Senate Committee on National Finance on March 10, 2009, and declared: “Nobody, I mean nobody, not one economist, not one, not one senator, predicted the global recession.” I wonder how the Finance Minister missed the June 2007 warnings of William White, a Canadian and the chief economist of the Bank of International Settlements, a bank in which Canada is a shareholder. Instead, he appears at committee and denies that anyone saw a recession coming. At that point, it was only the Prime Minister and the Finance Minister who were still in the dark.

It is absolutely amazing that our current government has spent so much money that it has become the most free-spending administration in Canadian history. That was the extent of this government’s preparations heading into recession: empty the cupboard and deny reality. This Conservative government inherited a surplus of \$13 billion, and not only did the government spend that, it also spent the \$4 billion rainy-day fund when the day was still sunny.

• (1530)

The Finance Minister and the Prime Minister promised Canadians they would never enter into a situation of deficit spending, and as we know now, they already had. If it were not for the revenue windfall upon the sale of communications channels, the current systemic deficit would have been on the books in the beginning of the second quarter of 2008. The same Prime Minister, on October 7, 2008, advised Canadians who were losing their jobs and their savings that, “I think there’s probably some great buying opportunities emerging in the stock market as a consequence of all this panic.”

This government was calling for surpluses in the economic update before proroguing Parliament in order to save their own jobs while Canadians were losing theirs. In fact, this government refused to provide any stimulus spending until forced to doing so by the opposition, which leaves us with a few unanswered questions.

Now that the government has managed to undo all the good work of the previous Liberal government, and had done so long before this economy was hit by recession, how does the government intend to return the books to surplus? When and how will the government pay back the debt it has placed on the shoulders of Canadians? When will Canadians have a government that is fiscally responsible again? While awaiting the answer to these important questions, let us give our support to this bill.

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

Some Hon. Senators: Question!

[Senator Moore]

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

(Motion agreed to and bill read second time.)

REFERRED TO COMMITTEE

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

(On motion of Senator Greene, bill referred to the Standing Senate Committee on Banking, Trade and Commerce.)

THE ESTIMATES, 2009-10

SUPPLEMENTARY ESTIMATES (B)— ELEVENTH REPORT OF NATIONAL FINANCE COMMITTEE ADOPTED

The Senate proceeded to consideration of the eleventh report of the Standing Senate Committee on National Finance (*Supplementary Estimates (B), 2009-2010*), presented in the Senate on December 8, 2009.

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

He said: Honourable senators would normally see this report before receiving the supply bill that accompanies the Supplementary Estimates (B). The typical report presented by the committee is in the form of a review of what has taken place to date. Honourable senators will know that the Main Estimates are circulated to all honourable senators. Supplementary Estimates (A) were dealt with by the committee last April.

The new initiative of the government began approximately one year to try to bring in the Supplementary Estimates (A) close to the budget. The budget is developed in November-December in preparation for the February budget announcement. Some initiatives in the budget have not been fully developed by Treasury Board, so they cannot determine the exact cost. The Main Estimates pick up everything that can be costed, such as regular programs, but some of the new initiatives or expanded initiatives need to be reflected in supplementary estimates at a later date.

Supplementary Estimates (A) come as close as possible to the budget, so that we can have disclosure to parliamentarians with respect to anticipated expenditures. As honourable senators will understand, there are two ways to approve the yearly spending of the executive branch — the Prime Minister and cabinet ministers: either by statutory approval through legislation that we pass year after year; or through the Main Estimates and the various supplementary estimates.

Supplementary Estimates (B) are addressed in the eleventh report of the Finance Committee that is before honourable senators today. Supplementary Estimates (C) will come before the Senate in February 2010 to pick up any programs that are not fully developed yet or that are late in being developed. These estimates will be for a smaller amount.

In considering this twelfth report, honourable senators are asked to approve an expenditure of \$4.9 billion for the Supplementary Estimates (B). The schedule at page 2 shows statutory appropriations, which are expenditures approved in other statutes. Although we do not vote on statutory appropriations, we are reminded of the amounts.

Honourable senators will see that voted appropriations for this supplementary estimate period are \$26 billion, bringing the total to \$30 billion. However, the \$26 billion is comprised of budgetary items, which is the usual anticipated expenditure, and non-budgetary items. Non-budgetary items change the bottom line but it is hoped that they will come back to the government. An example of non-budgetary items is loans made by the government.

The amount of \$24 billion is in the form of non-budgetary statutory items. Honourable senators, those figures reflect amounts for the stimulus package, for example, money given to the Business Development Bank of Canada in the amount of \$12 billion to help stimulate finance, assist with car loans, et cetera. In addition, \$12.4 billion went to Export Development Canada to assist with loans to business. Normally, Export Development Canada encourages businesses outside of Canada and trade by Canadian companies outside of Canada. However, during this difficult economic period, honourable senators will recall that Export Development Canada is approved to be involved in business in Canada as well. If that activity turns out to be useful, we may have to stop calling it Export Development Canada, but we will see about that.

• (1540)

There is \$12 billion for each of the Business Development Bank and the Export Development Bank for their activities. We have had them both before our committee and talked about the work they are doing.

The Business Development Bank told us that they had, until very recently, not been able to put out any of the money that they had allocated. That is a good sign. Those companies that would normally borrow to provide for financing were able to find it other places. Maybe Business Development Bank Canada had too high an interest rate. They were mandated to be reasonable in the marketplace and not be too low in their interest rates. Maybe they were a little higher than they should have been in setting their market rate. When they were before our committee, they told us that they were renegotiating terms and that they anticipated a major amount being placed with a particular company in the very near future.

So that program seems to be working well. We are keeping a close eye on that, honourable senators. I dearly hope that we will not be back asking you to write off any of that money in the future, but time will tell in that regard.

The total estimates to date for the fiscal year is \$249 billion. We can put in perspective the \$4.5 billion we are being asked to approve here in voted appropriations versus that full amount so far. That full amount had been approved through the Main Estimates, which came in June, and Supplementary Estimates (A) that followed the Main Estimates.

Honourable senators, I have just two or three other points to make. The first is with regard to Vote 35, the general vote of Treasury Board. You will remember that this is an extraordinary year from the point of view of government finances, and \$3 billion was allocated to Treasury Board to try to distribute quickly — in fact, before the end of June. From April 1 to the end of June, they were mandated to try to stimulate the economy by getting out that \$3 billion. They were told that if it was not out by June 30, then that money would fall back into normal budgetary financing for infrastructure, et cetera. That initiative seems to have worked to the extent of \$2.1 billion. The additional \$0.9 billion will be put back into the budget, allocated and approved in the normal course. We asked for and have received an accounting of that \$2.1 billion, and it is in the Supplementary Estimates (B). That is in this report, as well.

Honourable senators, we looked at some of the major expenditures, and we tried to bring in witnesses who could help us with respect to them. Why did these major expenditures appear in the supplementary estimates? The normal explanation would be that the cost was not fully developed in time. In fact, that is often the explanation that we get.

We brought in the Treasury Board Secretariat personnel, who are very knowledgeable and helpful. We have a good rapport with them. It is important, on behalf of my committee and my deputy chair, Senator Gerstein, to thank the Treasury Board personnel for the professional manner in which they come before our committee, sometimes on short notice, and are very helpful.

We also brought in the Canadian International Development Agency. We tried to have Atomic Energy of Canada Limited come to talk to us, because there are significant expenditures there that we wanted to know about, but they were not available.

The good thing about supplementary estimates and estimates is that we are mandated to deal with these throughout the year. Our committee can, at any time throughout this fiscal year, bring in any government department and ask them questions about how they are spending money and intending to spend money. In my view, it is more helpful to parliamentarians to talk about expenditures at the front end of the estimates process, as opposed to looking at public accounts, which come six to nine months after the fact. In the case of the latter, all we can do is to be informed about what happened, and we cannot influence in any way the expenditure.

In our report, we talked about federal contaminated sites, which honourable senators will find very interesting. There is a contingent liability of the federal government for \$6.3 billion with respect to 18,000 federal contaminated sites across Canada. That figure is checked, verified and amended on an annual basis by the Auditor General. I did not realize that it was dealt with in that manner. We know that that figure is very close to reality. Several expenditures in these supplementary estimates relate to contaminated sites, but primarily contaminated sites in the North. DND has many abandoned areas in the North. There is also decommissioning of Atomic Energy of Canada's sites and reactors, and that is a huge, future contingent liability.

We talked about the specific claims tribunal dealing with the Aboriginal challenge that we have in Canada.

Honourable senators, we discussed education for Aboriginal people.

We talked about the creation of the Canadian Northern Economic Development Agency, which is a positive new development. This northern development agency will take over some the work of Indian and Northern Affairs, which I think is a step in the right direction. We will be following that one too, honourable senators.

We talked about Northern Pipeline Agency Canada. This agency was created in 1978 and had been basically sitting dormant. TransCanada Pipelines has told the Northern Pipeline Agency that it intends to begin work on the northern pipeline for gas, so there has been an allocation in the Supplementary Estimates (B) of \$369,000 to get that initiative going again. It is good news to learn that that is happening.

Honourable senators will see the other items. There is a discussion of grants and contributions. Grants are not followed up with an audit. We asked why CIDA would be going into more grants, which we could see in the estimates. Apparently much of the money that CIDA is putting out internationally is going to other agencies that have their own facilities for audit, and therefore it was not necessary for Canada to do an audit. We would rely on those, such as the audit of the World Bank, the World Food Organization, and a number of other major international organizations.

One other very positive area is that several grants and contributions are going to our native peoples to allow them to perform some of the work with respect to remediation of contaminated sites on reserves, for example. Rather than sending in companies on contract to do this work, more and more the initiative is to allow people living on the reserve to do their own work.

• (1550)

Honourable senators, I believe this report is a fair representation of what has transpired on Supplementary Estimates (B) in our committee.

I would like to thank all members of the committee for working diligently on this, the advisors from the Library of Parliament and our clerk for the good work they continue to do to try to turn these matters around as quickly as possible. We all appreciate that this is supply for the government, in which event it is necessary to deal with it quickly.

Honourable senators, because we have dealt with this matter in the form of a pre-study, when the bill comes, we will be able to move through first and second and third reading without the necessity of going to the committee. We have already done our work on it.

Hon. Irving Gerstein: Honourable senators, I would like to thank Senator Day for presenting the eleventh report of the Standing Senate Committee on National Finance, which deals with our study of Supplementary Estimates (B) for the fiscal year 2009-10.

[Senator Day]

This is the second set of Supplementary Estimates (B) that I have had the honour to address this year. When Canada's urgent economic interests fail to conform to the government's fiscal calendar, the government must adapt its fiscal calendar, and that is exactly what the current Conservative government did.

Budget 2009 was introduced earlier in the year than any previous budget in Canadian history. It laid out Canada's Economic Action Plan, an economic stimulus package of unprecedented scope and magnitude to meet head on the challenge of the global economic recession. As a result of the government's quick action, the entire budgetary cycle has been accelerated. That is why the supplementary estimates have come before us so early.

I want to express my sincere appreciation to Senator Day, who has done an excellent job as chairman of our committee in keeping our study of the supplementary estimates on subject and on schedule. In my remarks on our committee's report on Supplementary Estimates (B) for 2008 and 2009, I expressed confidence that Senator Day and I would work well together. I am happy to say, from my perspective, that that early observation has been well borne out.

As Senator Day has mentioned, the National Finance Committee received testimony on these estimates from officials of Treasury Board Secretariat, the Canadian International Development Agency, and Indian and Northern Affairs Canada. Committee members asked pointed, pertinent and diverse questions, and the witnesses demonstrated remarkable knowledge and professionalism in their responses.

Our inquiries related to a variety of subjects, including the following: remediation of the contaminated sites; the Specific Claims Tribunal established by Indian and Northern Affairs Canada; the government's investments in international aid; the creation of the new Northern Economic Development Agency; costs associated with the upcoming G8 and G20 summits, which will be hosted by Canada; funding for the CBC; and, CIDA's role in Afghanistan.

As always, the committee could have spent eons poring over these estimates; however, I can assure honourable senators and all Canadians that we have examined these estimates with all due diligence. I also remind you that in the Senate, unlike in the other place, government estimates are permanently referred to the National Finance Committee, so we may revisit them any time we feel the need to do so.

Honourable senators, I look forward to the expeditious passage of the appropriation act that will reflect these supplementary estimates.

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

Some Hon. Senators: Question.

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

Some Hon. Senators: Agreed.

Senator Tardif: On division.

(Motion agreed to and report adopted, on division.)

[Translation]

THE HONOURABLE JERAHMIEL S. GRAFSTEIN, Q.C.

MOTION IN MODIFICATION TO PLACE INQUIRY ON
NOTICE PAPER ADOPTED

Leave having been given to proceed to Motion Nos. 110, 111 and 112.

Hon. Claudette Tardif (Deputy Leader of the Opposition), pursuant to notice of December 3, 2009, moved:

That, notwithstanding rule 57(2), the following inquiry be placed on the Notice Paper for later this day:

“By the Honourable Senator Tardif: That she will call the attention of the Senate to the career of the Honourable Senator Grafstein in the Senate and his many contributions in service to Canadians.”; and

That, notwithstanding rule 37(4), during proceedings on this inquiry no senator shall speak for more than three minutes.

Honourable senators, is there consent to amend the motion in order to place the inquiry on the Notice Paper for later this day?

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

Hon. Senators: Agreed.

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

Hon. Senators: Agreed.

(Motion, as amended, adopted.)

THE HONOURABLE LORNA MILNE

MOTION TO PLACE INQUIRY
ON NOTICE PAPER ADOPTED

Hon. Claudette Tardif (Deputy Leader of the Opposition), pursuant to notice of December 3, 2009, moved:

That, notwithstanding rule 57(2), the following inquiry be placed on the Notice Paper for the next sitting of the Senate:

“By the Honourable Senator Tardif: That she will call the attention of the Senate to the career of the Honourable Senator Milne in the Senate and her many contributions in service to Canadians.”;

That, notwithstanding rule 37(4), during proceedings on this inquiry no senator shall speak for more than three minutes.

(Motion agreed to.)

THE SENATE

MOTION TO PERMIT PHOTOGRAPHIC COVERAGE
DURING TRIBUTES ADOPTED

Hon. Claudette Tardif (Deputy Leader of the Opposition) pursuant to notice of December 8, 2009, moved:

That a photographer be authorized in the Senate Chamber on Thursday, December 10, 2009, during tributes for the Honourable Senator Milne, on the occasion of her retirement from the Senate, with the least possible disruption of the proceedings.

(Motion agreed to.)

• (1600)

[English]

THE SENATE

CANADIAN NORTHWEST PASSAGE—
MOTION—DEBATE ADJOURNED

Hon. Hector Daniel Lang, pursuant to notice of October 20, 2009, moved:

That in the opinion of the Senate, as the various waterways known as the “Northwest Passage” are historic internal waters of Canada, the government should endeavour to refer to these waterways as the “Canadian Northwest Passage”.

He said: Honourable senators, in view of the time, I want to adjourn debate on the motion for the remainder of my time. We will debate it another day.

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

(On motion of Senator Lang, debate adjourned.)

LEGAL AND CONSTITUTIONAL AFFAIRS

STUDY ON PROVISIONS AND OPERATION
OF DNA IDENTIFICATION ACT—COMMITTEE
AUTHORIZED TO EXTEND DATE OF FINAL REPORT

Hon. Joan Fraser, pursuant to notice of December 3, 2009, moved:

That notwithstanding the Order of the Senate adopted on June 18, 2009, the date for the presentation of the final report by the Standing Senate Committee on Legal and Constitutional Affairs on the provisions and operation of the *DNA Identification Act* (S.C. 1998, c. 37) be extended from December 31, 2009 to June 30, 2010.

She said: Honourable senators, this motion requests an extension of a deadline for an important study by the Standing Senate Committee on Legal and Constitutional Affairs. Our time has been pre-empted by the study of government bills, but we do not want to let this study drop. I ask for an extension of the deadline.

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

(Motion agreed to.)

BUSINESS OF THE SENATE

The Hon. the Speaker *pro tempore*: Honourable senators, we have a standing vote deferred to 4:30 p.m., pursuant to the order adopted on December 8, 2009. The bells will sound at 4:15 p.m. for 15 minutes. The vote will be at 4:30.

Call in the senators.

• (1630)

CANADA CONSUMER PRODUCT SAFETY BILL

TWELFTH REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE— CONTINUED— MOTION TO ADOPT DEFEATED

On the Order:

Resuming debate on the motion of the Honourable Senator Day, seconded by the Honourable Senator Joyal, P.C., for the adoption of the twelfth report of the Standing Senate Committee on Social Affairs, Science and Technology (Bill C-6, An Act respecting the safety of consumer products, with amendments), presented in the Senate on December 3, 2009.

Motion negatived on the following division:

YEAS THE HONOURABLE SENATORS

Baker	Joyal
Banks	Kenny
Callbeck	Losier-Cool
Campbell	Lovelace Nicholas
Carstairs	Mahovlich
Cools	Massicotte
Cordy	McCoy
Cowan	Mercer
Dallaire	Milne
Day	Moore
Downe	Munson
Dyck	Peterson
Eggleton	Poulin
Fairbairn	Poy
Fraser	Ringuette

Furey
Grafstein
Harb
Hervieux-Payette
Hubley
Jaffer

Robichaud
Rompkey
Smith
Stollery
Tardif
Watt—42

NAYS THE HONOURABLE SENATORS

Andreychuk
Angus
Brazeau
Brown
Carignan
Champagne
Cochrane
Comeau
Demers
Di Nino
Duffy
Eaton
Finley
Fortin-Duplessis
Frum
Gerstein
Greene
Housakos
Johnson
Keon
Kinsella
Lang

Lapointe
LeBreton
MacDonald
Manning
Martin
Meighen
Mockler
Nancy Ruth
Nolin
Ogilvie
Oliver
Patterson
Plett
Raine
Rivard
Seidman
St. Germain
Stewart Olsen
Stratton
Tkachuk
Wallace
Wallin—44

ABSTENTIONS THE HONOURABLE SENATORS

Murray

Rivest—2

The Hon. the Speaker: Accordingly, the motion is defeated.

The question before the house is: When shall this bill will read a third time?

(On motion of Senator Comeau, bill placed on Orders of the Day for consideration at the next sitting of the Senate.)

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, we have gone through the Order Paper and, therefore, it would be proper for us to suspend until the ringing of the bells pursuant to the house order for a vote on the next item at 5 p.m.

The bells will ring at quarter to five for the vote at five o'clock. The house stands suspended.

Do I have permission to leave the chair?

Hon. Senators: Agreed.

• (1700)

CONTROLLED DRUGS AND SUBSTANCES ACT

BILL TO AMEND—TWELFTH REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Fraser, seconded by the Honourable Senator Pépin, for the adoption of the twelfth report of the Standing Senate Committee on Legal and Constitutional Affairs (Bill C-15, An Act to amend the Controlled Drugs and Substances Act and to make related and consequential amendments to other Acts, with amendments), presented in the Senate on December 3, 2009.

Motion adopted on the following division:

YEAS THE HONOURABLE SENATORS

Baker	Lapointe
Banks	Losier-Cool
Callbeck	Lovelace Nicholas
Campbell	Mahovlich
Carstairs	Massicotte
Cools	McCoy
Cordy	Mercer
Cowan	Milne
Dallaire	Mitchell
Dawson	Moore
Day	Munson
Downe	Murray
Dyck	Pépin
Eggleton	Peterson
Fairbairn	Poulin
Fox	Poy
Fraser	Ringuette
Furey	Rivest
Grafstein	Robichaud
Harb	Rompkey
Hervieux-Payette	Smith
Hubley	Stollery
Jaffer	Tardif
Joyal	Watt—49
Kenny	

NAYS THE HONOURABLE SENATORS

Andreychuk	LeBreton
Angus	MacDonald
Brazeau	Manning
Brown	Martin
Carignan	Meighen
Champagne	Mockler
Cochrane	Nancy Ruth
Comeau	Ogilvie
Demers	Oliver
Di Nino	Patterson
Duffy	Plett

Eaton
Finley
Fortin-Duplessis
Frum
Gerstein
Greene
Housakos
Johnson
Keon
Kinsella
Lang

Raine
Rivard
Segal
Seidman
St. Germain
Stewart Olsen
Stratton
Tkachuk
Wallace
Wallin—43

ABSTENTIONS THE HONOURABLE SENATORS

Nil

The Hon. the Speaker: Accordingly, the motion is adopted.

Honourable senators, when shall this bill, as amended, be read the third time? Senate.

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

The Hon. the Speaker: Honourable senators, is it the agreement of the house that the house will suspend until eight o'clock?

Hon. Senators: Agreed.

The Hon. the Speaker: For explication, we are through the Order Paper. There is a social event in the Speaker's quarters in honour of Senator Grafstein. Due to other activities in the house, if the house would suspend and come back at eight o'clock, we may have a message from the other place.

Is it agreed? May I leave the chair?

Hon. Senators: Agreed.

(The sitting of the Senate was suspended.)

• (2000)

(The sitting of the Senate was resumed.)

PROVINCIAL CHOICE TAX FRAMEWORK BILL

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-62, An Act to amend the Excise Tax Act.

(Bill read first time.)

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

(On motion of Senator Comeau, bill placed on the Orders of the Day for second reading at the next sitting of the Senate.)

(The Senate adjourned until Thursday, December 10, 2009, at 1:30 p.m.)

CONTENTS

Wednesday, December 9, 2009

	PAGE		PAGE
SENATORS' STATEMENTS		ORDERS OF THE DAY	
Tributes		Business of the Senate	
The Honourable Jerahmiel S. Grafstein, Q.C.		Hon. Gerald J. Comeau	1942
Hon. James S. Cowan.	1928	Point of Order	
Hon. Marjory LeBreton	1929	Speaker's Ruling.	
Hon. Serge Joyal	1929	The Hon. the Speaker.	1942
Hon. W. David Angus	1930	Hon. Pierrette Ringuette	1943
Hon. David P. Smith	1931	Hon. Gerald J. Comeau	1943
Hon. Joyce Fairbairn	1932	Hon. Claudette Tardif	1943
Hon. Art Eggleton	1932	Tax Conventions Implementation Bill, 2009 (Bill S-8)	
Hon. Tommy Banks	1933	Second Reading.	
Hon. Peter A. Stollery	1933	Hon. Wilfred P. Moore.	1943
Hon. Terry M. Mercer	1933	Referred to Committee	1944
Hon. Jim Munson	1933	The Estimates, 2009-10	
Hon. Jerahmiel S. Grafstein	1933	Supplementary Estimates (B)—Eleventh Report of National Finance Committee Adopted.	
<hr/>		Hon. Joseph A. Day.	1944
ROUTINE PROCEEDINGS		Hon. Irving Gerstein	1946
Canada Post Corporation Act (Bill S-244)		The Honourable Jerahmiel S. Grafstein, Q.C.	
Bill to Amend—First Reading.		Motion in Modification to Place Inquiry on Notice Paper Adopted.	
Hon. Robert W. Peterson	1937	Hon. Claudette Tardif	1947
Canada-United States Inter-Parliamentary Group		The Honourable Lorna Milne	
Council of State Governments—Annual Meeting of Midwestern Legislative Conference, August 9-12, 2009—Report Tabled.		Motion to Place Inquiry on Notice Paper Adopted.	
Hon. Jerahmiel S. Grafstein	1937	Hon. Claudette Tardif	1947
Canadian/American Border Trade Alliance Conference, September 20-22, 2009—Report Tabled.		The Senate	
Hon. Jerahmiel S. Grafstein	1937	Motion to Permit Photographic Coverage During Tributes Adopted.	
The Senate		Hon. Claudette Tardif	1947
Notice of Motion to Urge Government to Create a Rural Canadian Postal Service Charter.		The Senate	
Hon. Robert W. Peterson	1937	Canadian Northwest Passage—Motion—Debate Adjourned.	
<hr/>		Hon. Hector Daniel Lang	1947
QUESTION PERIOD		Legal and Constitutional Affairs	
Treasury Board		Study on Provisions and Operation of DNA Identification Act— Committee Authorized to Extend Date of Final Report.	
Public Appointments Commission Secretariat.		Hon. Joan Fraser	1947
Hon. Joseph A. Day.	1937	Business of the Senate 1948	
Hon. Marjory LeBreton	1938	Canada Consumer Product Safety Bill (Bill C-6)	
Environment		Twelfth Report of Social Affairs, Science and Technology Committee—Continued— Motion to Adopt Defeated	1948
Climate Change Policy.		Business of the Senate 1948	
Hon. Grant Mitchell.	1938	Controlled Drugs and Substances Act (Bill C-15)	
Hon. Marjory LeBreton	1938	Bill to Amend—Twelfth Report of Legal and Constitutional Affairs Committee Adopted	1949
Hon. Lorna Milne	1939	Provincial Choice Tax Framework Bill (Bill C-62)	
Finance		Bill to Amend—First Reading.	1949
Poverty Line.			
Hon. Jerahmiel S. Grafstein	1940		
Hon. Marjory LeBreton	1940		
Official Languages			
Linguistic Duality at 2010 Olympic Games and Vancouver International Airport.			
Hon. Claudette Tardif	1941		
Hon. Marjory LeBreton	1941		



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