



CANADA

# Debates of the Senate

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3rd SESSION

•

40th PARLIAMENT

•

VOLUME 147

•

NUMBER 4

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OFFICIAL REPORT  
(HANSARD)

**Wednesday, March 10, 2010**



THE HONOURABLE NOËL A. KINSELLA  
SPEAKER

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



## THE SENATE

Wednesday, March 10, 2010

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

Prayers.

[Translation]

### CHILE—VICTIMS OF EARTHQUAKE

#### SILENT TRIBUTE

**The Hon. the Speaker:** Honourable senators, I ask you to rise and observe one minute of silence in memory of all the victims, including the Canadian victims, of the terrible earthquake that hit Chile on February 27, 2010.

*Honourable senators then stood in silent tribute.*

[English]

### SENATORS' STATEMENTS

#### THE SENATE

MR. MICHEL PATRICE—  
RECOGNITION AS TABLE OFFICER

**The Hon. the Speaker:** Honourable senators, I draw to your attention that today is the first occasion that Mr. Michel Patrice, Deputy Law Clerk and Parliamentary Counsel, is serving as a table officer.

**Some Hon. Senators:** Hear, hear.

[Translation]

**The Hon. the Speaker:** Mr. Patrice started his career with the Senate in 1994, with the Committees Directorate, and joined the Office of the Law Clerk in 2002.

Welcome.

[English]

#### THE LATE DAVID PECAUT, C.M.

**Hon. Art Eggleton:** Honourable senators, I rise today to pay tribute to David Pecaut who passed away from cancer on December 14, 2009.

David was an inspired and visionary leader from my home city of Toronto. Originally from Sioux City, Iowa, he moved to Toronto in the 1980s and embraced the city like it was his own. He worked tirelessly to improve the city he loved.

From the 1990s onward, David was a managing partner of the Boston Consulting Group, but always found time for community organizations and events. He sat on boards or created several

civic organizations including the Toronto Region Immigrant Employment Council, the Toronto Region Research Alliance, the Strong Neighbourhoods Task Force, Career Edge and the Prime Minister's External Advisory Committee on Cities and Communities.

Of all his big ideas and achievements, perhaps the most inspiring were the creation of the Toronto Festival of Arts and Creativity, called Luminato, and the Toronto City Summit Alliance.

For a 10-day celebration of the arts each June, the Luminato festival infuses Toronto's stages, streets and public places with theatre, dance, music, film, literature, visual arts and design. This incredible festival has helped reinvent Toronto after its 2003 devastation by SARS. It has brought back more than one million visitors in only three years. As his wife Helen Burstyn pointed out: "It was the most ambitious, the most complex, the most intellectually demanding and satisfying . . . the most David." For his vision in creating Luminato, Pecaut and his co-founder Tony Gagliano were jointly named Canadians of the Year in 2008 by the Canadian Club.

David was also the pivotal figure in the establishment of the Toronto City Summit Alliance. As volunteer chair, he built the alliance into a dynamic civic force that brings together leaders from business, civil society, government, labour and academia. Under his leadership, this coalition has worked to create collective solutions to persistent poverty, immigrant access to the labour market, diversifying leadership and other social and economic challenges facing the Toronto region.

David has left us an enormous legacy and his work will live on in the many people and organizations that he touched. For his lifetime of distinguished service to his community, David was named a member of the Order of Canada in December.

The Toronto region will miss his passion and perseverance. It owes him much gratitude for helping make Toronto one of the best cities in the world.

#### AFRICAN HERITAGE MONTH

**Hon. Donald H. Oliver:** Honourable senators, three weeks ago, a Ku Klux Klan-style seven-foot wooden cross was erected and burned on the lawn of a Black family near Windsor, Nova Scotia. At the top of the cross was a hangman's noose for lynching. As it burned, the family was further threatened with screams of race hatred: "Die nigger, die."

This is Canada in 2010. What can this incident mean? It means that race hatred is still alive and thriving in Canada. We know that the Ku Klux Klan hates Catholics, Jews and Blacks. We all hope this incident is not the beginning of another wave of racism, hatred and discrimination against these groups.

This frightening incident took place in February, which is African Heritage Month: the month when we are reminded of the countless contributions that African-Canadians have made to this country; the month when their glorious history deserves recognition.

As honourable senators know, it was in 1926 that Professor Carter G. Woodson founded Negro History Week. In 1976, Black History Week was expanded to become Black History Month. It was two years ago last week that members of this chamber adopted a motion that I introduced to have the Senate of Canada officially recognize February as Black History Month.

Schools and organizations across Canada celebrated February with awareness campaigns and social events. Black History Month was an opportunity to gain a greater understanding of the importance of diversity in our country's cultural, political and economic landscape. I spent the month speaking to students across Canada about Black history. On January 26, I was guest speaker at the world premiere of the William Hall play at the National Arts Centre in Ottawa. Anthony Sherwood wrote and directed this play about the famous Nova Scotia seaman who was the first person of African descent to receive the Victoria Cross in 1859.

I also raised the banner for African Heritage Month in schools in Dartmouth, Montreal and Toronto by sharing my views on diversity and human rights with students from Grade 1 to Grade 9. I reminded them that we are all equal before the law, regardless of race, colour or religion. We discussed ways that we can all fight racism and intolerance in today's society.

On February 25, I spoke to employees at the Supreme Court of Canada about fostering an inclusive workplace. In my remarks, I questioned the abysmal progress of the public service in achieving its potential as an inclusive and diverse workplace.

Honourable senators, the students I met in February recognized the importance of enforcing human rights and equality. They were interested in doing their part to combat racism and discrimination.

The burning cross in Nova Scotia sets back the movement for diversity and racial equality to the days of segregation. It was an unfortunate way to end February. The fact that this type of hateful act took place in Canada in 2010 is frightening and disconcerting.

Honourable senators, please join me in protecting the human rights of Canadians, fostering the rule of law and promoting diversity in our country.

[Translation]

#### MR. DOMINIC GIROUX

**Hon. Marie-P. Poulin:** Honourable senators, I rise today to pay tribute to an exceptional Canadian educator, Dominic Giroux, the rector of my alma mater, Laurentian University in Sudbury. Last month, I had the pleasure of attending an awards ceremony

in Gatineau, where Mr. Giroux was named Personality of the Year in Education by the newspaper *Le Droit* and Radio-Canada.

• (1410)

This distinction is the latest in a series of honours bestowed on this former assistant deputy minister with the Ministry of Education and the Ministry of Training, Colleges and Universities of Ontario. He has had a remarkable career in education, having been elected as a school board member at the age of 19 and as chair of the school board two years later.

Mr. Giroux arrived at Laurentian University last year as the student body was expanding and the university was growing rapidly. Laurentian was recently recognized for its achievements in engineering, business, medicine, forensic science, management and research.

This year, the university marks its 50th anniversary, with 40,000 graduates to its credit. Enrolment has risen from 6,000 to 9,000 in 10 years, and more than \$60 million has been invested in the Sudbury campus in the past five years.

Next year will likely see the opening of a \$44 million school of architecture, the first new school of its kind in Canada in four decades and the first to offer programs in French outside Quebec.

Honourable senators, with its new school of medicine, school of education, residence and the expansion of its recreation centre, Laurentian University "has the wind in its sails," to quote Mr. Giroux.

It is people like him, people with admirable dedication to their community, who make the difference between mediocrity and excellence. Join me in congratulating this outstanding individual, who has been chosen as Personality of the Year in Education.

#### BANK OF CANADA

#### CONGRATULATIONS ON SEVENTY-FIFTH ANNIVERSARY

**Hon. Michael A. Meighen:** Honourable senators, tomorrow the Bank of Canada will celebrate its 75th anniversary. To mark the occasion, the Currency Museum and the Bank of Canada will inaugurate a new exhibition that looks at the bank and its history from the perspective of outside observers — journalists, cartoonists, headline writers, economists, politicians and the public at large.

The Bank of Canada opened on March 11, 1935. Canada's central bank was created 22 years after the Federal Reserve was founded in the United States and long after central banks were established in other major Commonwealth countries.

[English]

Although the onset of the Depression in the early 1930s brought serious criticism of the financial system, demand and advocacy for a central bank in Canada were relatively limited, both before and during the early stages of the Depression.

Conservative Prime Minister R. B. Bennett and other influential individuals in academic and financial circles pushed for the establishment of the Bank of Canada. The Royal Commission on

Banking and Currency in Canada also called for a central bank in 1933. In his excellent book on the early history of the bank, George S. Watts explains:

The lack of any pronounced interest in, or pressure for, a central bank prior to the late 1920s may be explained by the economic and political circumstances of the period and, in particular, by the way in which the Canadian banking system had developed over the previous century. One of the more singular aspects of the history of banking in Canada is that, in contrast to many other areas of the economy where the influence of the United States was marked, banking from the earliest days developed indigenously, displaying characteristics quite different from those of the U.S. system.

Honourable senators, judging how Canada's financial system performed through the most recent economic crisis, that difference is still on display to this very day. Much like its recent performance, the Bank of Canada has a robust record of helping to guide the country through various challenges, whether it was inflation induced by world oil price shocks, economic adversity caused by the bursting of asset bubbles, currency crises or other international events. From helping to restore stability in the aftermath of the Great Depression to its participation in wartime finance, foreign exchange control, price control and advising on tax policy during World War II, the Bank of Canada was there.

The post-war period also saw the bank play a role in the establishment of the International Monetary Fund, the World Bank and domestic credit agencies like the Federal Business Development Bank.

The 1950s, 1960s and 1970s required the bank to play a more activist role in setting monetary policy in Canada. Currently, as honourable senators are aware, price stability is the Bank of Canada's primary monitoring policy.

With all that said, happy anniversary, Bank of Canada. You have been blessed with a long line of distinguished governors, including Mark Carney, the present incumbent. Continue to perform your primary function as it is, and always has been, spelled out in the preamble to the Bank of Canada Act: "... to regulate credit and currency in the best interests of the economic life of the nation. . . ."

[Translation]

#### NATIONAL WOMEN'S WEEK 2010

**Hon. Lucie Pépin:** Honourable senators, people around the world have been celebrating International Women's Day for 100 years now. As several of my colleagues mentioned, March 8 is a day to honour women, to remind us all of women's rights, and to celebrate women's achievements. On Monday, people celebrated in different ways.

In Canada, women once again donned their shoes and marched together, urging us all to "change women's lives to change the world and change the world to change the lives of women." Make no mistake; women are as determined as ever to change the status quo, which they believe is unfair and at the root of violence and poverty.

[ Senator Meighen ]

Honourable senators, I urge you to heed their demands, which reflect their priorities. Their grievances focus on women's work, the common good, access to resources, violence against women and the rights of Aboriginal women.

As they marched last Monday, Canadian women also wanted to express solidarity with women around the world who are still waiting for progress. Yes, Canadian women have made progress, but we must not let it go to our heads.

In some areas, such as access to high-level decision-making positions, we are not moving forward. Many women's day-to-day lives are not as good as they should be. That is the case for our Aboriginal sisters.

We need more women like Henrietta Muir Edwards or Emily Murphy, and many more Thérèse Casgrains to help us make progress on several fronts. During National Women's Week, it is only right to remember and honour these pioneers.

We should also pay tribute to the many women who serve their country every day but do not necessarily make headlines: military wives. We do not often hear from them, but they are there, standing proud. I witnessed their pride firsthand last Saturday, when Senator Frum and I spent some time with women on the Cold Lake military base in Alberta. I met women who have accepted and learned to live with the sacrifices and constraints associated with belonging to the greater military family.

By taking care of their homes and their children, they contribute to the smooth operation of the Canadian Forces. As senator, I renewed my commitment to work with Cold Lake military wives. I am sure that all senators will do everything in their power to provide military families with the support they deserve in recognition of the sacrifices they make.

[English]

#### WHITE-COLLAR CRIME

**Hon. Gerry St. Germain:** Honourable senators, for the majority of their lives, Canadians work hard to earn their money and wealth. Their incomes barely cover their costs but, when there is a bit left over, they usually set that money aside in some form of a retirement fund, and Canada has long encouraged its citizens to plan for their retirement years. Many do so with the help and trust of a financial planning adviser. However, some advisers violate this trust and commit criminal acts for their own personal gain.

Take, for example, the Ponzi schemes of Earl Jones of Montreal and Ian Thow of Victoria. These men did not just steal money; their crimes involved much more. They robbed people of the means to maintain themselves in their retirement years. These innocent people had their lives changed forever.

Earl Jones ruined more than 100 clients' lives, stealing \$50 million. He was sentenced in February to 11 years and will be eligible for parole in two years. Mr. Jones will not have to pay any restitution to his victims. Last week, Ian Thow was convicted of 20 counts of fraud, totalling \$8 million. In this case, the

British Columbia provincial court judge sentenced Mr. Thow to nine years, two years more than was recommended by the Crown. Additionally, Mr. Thow must pay \$4 million in restitution to his victims.

• (1420)

Honourable senators, here we have two similar cases of financial or white-collar crimes with two different outcomes. Our courts appear to be sending mixed signals to criminals.

Our laws must be clear to all so that convicted criminals of white-collar crime get what they deserve. Punishments need to be congruent to the severity of the crime, and consistent across Canada.

In the last session, Bill C-52 sought to amend the Criminal Code with respect to sentencing for fraud. This legislation included mandatory minimum sentences for those convicted of fraud over \$1 million, and it provided provisions for the consideration of additional statutory aggravating factors.

Honourable senators, Ponzi schemes and other forms of white-collar crime have taken a large toll in the lives of our elderly Canadians and Canadians as a whole. The time for substantive change is long overdue.

As parliamentarians, we must ensure that our police forces have the tools they need to catch these criminals; that our courts have strict sentencing guidelines to punish criminals justly and fairly; and that our society and the victims of crime be justly compensated for their losses, if at all possible.

Honourable senators, for Parliament to do less only further punishes the victims and the taxpayers of Canada.

## ROUTINE PROCEEDINGS

### ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

#### REPORT PURSUANT TO RULE 104 TABLED

**Hon. W. David Angus:** Honourable senators, pursuant to rule 104 of the *Rules of the Senate*, I have the honour to table the first report of the Standing Senate Committee on Energy, the Environment and Natural Resources, which deals with the expenses incurred by the committee during the Second Session of the Fortieth Parliament.

(For text of report, see today's Journals of the Senate, p. 57.)

[Translation]

### AGRICULTURE AND FORESTRY

#### REPORT PURSUANT TO RULE 104 TABLED

**Hon. Percy Mockler:** Honourable senators, pursuant to rule 104 of the *Rules of the Senate*, I have the honour to table the first report of the Standing Senate Committee on Agriculture

and Forestry, which deals with the expenses incurred by the committee during the Second Session of the Fortieth Parliament.

(For text of report, see today's Journals of the Senate, p. 58.)

[English]

## WORLD AUTISM AWARENESS DAY BILL

### FIRST READING

**Hon. Jim Munson** presented Bill S-211, An Act respecting World Autism Awareness Day.

(Bill read first time.)

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

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

## EXCISE TAX ACT

### BILL TO AMEND—FIRST READING

**Hon. Charlie Watt** presented Bill S-212, An Act to amend the Excise Tax Act (tax relief for Nunavik).

(Bill read first time.)

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

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

## ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

### NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY ISSUES RELATED TO MANDATE AND REFER PAPERS AND EVIDENCE SINCE SECOND SESSION OF THIRTY-NINTH PARLIAMENT

**Hon. W. David Angus:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Energy, the Environment and Natural Resources be authorized to examine and report on emerging issues related to its mandate:

- (a) The current state and future direction of production, distribution, consumption, trade, security and sustainability of Canada's energy resources;
- (b) Environmental challenges facing Canada including responses to global climate change, air pollution, biodiversity and ecological integrity;

- (c) Sustainable development and management of renewable and non-renewable natural resources including but not limited to water, minerals, soils, flora and fauna; and
- (d) Canada's international treaty obligations affecting energy, the environment and natural resources and their influence on Canada's economic and social development.

That the papers and evidence received and taken and work accomplished by the committee on this subject since the beginning of the Second Session of the Thirty-ninth Parliament be referred to the committee; and

That the committee submit its final report no later than June 30, 2011 and that the committee retain all powers necessary to publicize its findings until 180 days after the tabling of the final report.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE  
TO STUDY CURRENT STATE AND FUTURE  
OF ENERGY SECTOR AND REFER PAPERS  
AND EVIDENCE SINCE SECOND SESSION  
OF FORTIETH PARLIAMENT

**Hon. W. David Angus:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Energy, the Environment and Natural Resources be authorized to examine and report on the current state and future of Canada's energy sector (including alternative energy). In particular, the committee shall be authorized to:

- (a) Examine the current state of the energy sector across Canada, including production, manufacturing, transportation, distribution, sales, consumption and conservation patterns;
- (b) Examine the federal and provincial/territorial roles in the energy sector and system in Canada;
- (c) Examine current domestic and international trends and anticipated usage patterns and market conditions, including trade and environmental measures and opportunities, likely to influence the sector's and energy system's future sustainability;
- (d) Develop a national vision for the long-term positioning, competitiveness and security of Canada's energy sector; and
- (e) Recommend specific measures by which the federal government could help bring that vision to fruition.

That the papers and evidence received and taken and work accomplished by the committee on this subject since the beginning of the Second Session of the Fortieth Parliament be referred to the committee; and

That the committee submit its final report no later than June 30, 2011 and that the committee retain all powers necessary to publicize its findings until 180 days after the tabling of the final report.

**AGRICULTURE AND FORESTRY**

NOTICE OF MOTION TO AUTHORIZE COMMITTEE  
TO STUDY CURRENT STATE AND FUTURE OF FOREST  
SECTOR AND REFER PAPERS AND EVIDENCE FROM  
SECOND SESSION OF FORTIETH PARLIAMENT

**Hon. Percy Mockler:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Agriculture and Forestry be authorized to examine and report on the current state and future of Canada's forest sector. In particular, the Committee shall be authorized to:

- (a) Examine the causes and origins of the current forestry crisis;
- (b) Examine the federal role in the forest sector in Canada;
- (c) Examine and promote the development and commercialisation of value added products;
- (d) Examine potential changes to the National Building Code of Canada 2005 to increase the utilization of wood;
- (e) Examine education in the wood science sector;
- (f) Develop a vision for the long-term positioning and competitiveness of the forest industry in Canada; and
- (g) Recommend specific measures to be put forward by the federal government to lay the foundations of that vision.

That the papers and evidence received and taken on the subject and the work accomplished during the Second session of the Fortieth Parliament be referred to the Committee; and

That the Committee submit its final report to the Senate no later than December 31, 2010.

• (1430)

NOTICE OF MOTION TO AUTHORIZE COMMITTEE  
TO STUDY CURRENT STATE AND FUTURE  
OF AGRICULTURE AND AGRI-FOOD AND  
REFER PAPERS AND EVIDENCE SINCE  
THIRTY-NINTH PARLIAMENT

**Hon. Percy Mockler:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Agriculture and Forestry be authorized to examine and report on the current state and future of agriculture and agri-food in Canada;



That the papers and evidence received and taken on the subject and the work accomplished during the Thirty-ninth Parliament and during the Second Session of the Fortieth Parliament be referred to the Committee; and

That the Committee submit its final report to the Senate no later than June 17, 2011.

## NATIONAL DRUG PLAN

### NOTICE OF INQUIRY

**Hon. Catherine S. Callbeck:** Honourable senators, I give notice that, two days hence:

I will call the attention of the Senate to the overwhelming need for federal leadership on a national catastrophic drug plan to assist Canadians to cover the cost of expensive medications.

## CONTRABAND TOBACCO

### NOTICE OF INQUIRY

**Hon. Hugh Segal:** Honourable senators, I give notice that, two days hence:

I will call the attention of the Senate to the seriousness of the problem posed by contraband tobacco in Canada, its connection with organized crime, international crime and terrorist financing, including the grave ramifications of the illegal sale of these products to young people, the detrimental effects on legitimate small business, the threat on the livelihoods of hard-working convenience store owners across Canada, and the ability of law enforcement agencies to combat those who are responsible for this illegal trade throughout Canada, and the advisability of a full-blown Senate committee inquiry into these matters.

## QUESTION PERIOD

### FINANCE

#### BUDGET 2010

**Hon. Jane Cordy:** Honourable senators, when the Minister of Finance delivered the budget speech last week, he said: "We take the same approach that Canadian families take in managing their household budgets." That is not a bad approach. However, this morning it became apparent that the Flaherty family must have a very different budgeting approach from that of my family. My household budget does not include \$1,000 to install a doorbell, \$2,000 for two plants, or \$5,266 for six pot lights. Certainly, it does not include \$18,650 for six months of extra — not regular — dusting in my office.

Honourable senators, those are only a few of the outrageous expenses incurred by the Department of Public Works and Government Services Canada that were made public in this morning's edition of *La Presse* following an access to information

request. Does the Leader of the Government in the Senate agree that the Minister of Finance would be well served to sit down with ordinary Canadian families to learn how they do their budgeting?

**Hon. Marjory LeBreton (Leader of the Government):** I thank the honourable senator for the question. I believe that the Minister of Finance made it clear when he presented the budget last Thursday that, while we continue the economic stimulus that has created jobs for Canadians across the country, he and the President of the Treasury Board intend to ask each department to manage their respective departmental budgets.

The honourable senator will be aware that the Minister of Public Works and Government Services Canada said today that such contracts, awarded and managed through the department and not by ministers, are not acceptable to Canadian taxpayers and are deemed offensive and way over the top. Therefore, the Minister of Public Works and Government Services Canada has asked her deputy minister to review all such expenditures. I believe that we should await the results of her request before commenting further.

## PRIVY COUNCIL OFFICE

### BUDGET 2010

**Hon. Jane Cordy:** Honourable senators, the Minister of Finance has made it clear that departments are to manage their respective budgets. I guess we have to wonder if the minister said he will have a double-double to go because he had a Challenger jet waiting in the parking lot.

In last week's budget, the government promised fiscal restraint and belt-tightening, which I understand. A big deal was made of wage freezes and departmental office budget constraints, which I also understand. However, these constraints do not seem to apply to the Prime Minister's department. In a time when everyone has to cut back, the Privy Council Office, which provides advice and support to the Prime Minister and cabinet members, saw its budget increase by \$13 million. This represents a 21.9 per cent budget increase. I am sorry, but I do not understand that. This is just another example of the government's self-serving policy of "do as I say and not as I do." What is the justification for the Prime Minister's department receiving a 21.9 per cent budget increase of \$13 million?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, I must address the issue raised by the honourable senator with regard to the use of the Challengers. By the way, we are proud of our connection with Tim Hortons and double-doubles.

**Some Hon. Senators:** Hear, hear!

**Senator LeBreton:** The honourable senator failed to point out that Minister Flaherty did not take a Challenger; he took a Citation. When it was revealed that the Citation jets were rarely used, the question was asked: Why do we not sell them? Honourable senators, it is well documented that this government has used government aircraft two thirds less frequently than the previous government. We practise what we preach.

With regard to the Privy Council Office budget estimates, the honourable senator will recall that the President of the Treasury Board said that all government departments, including PCO, have to practise restraint.

## PUBLIC WORKS AND GOVERNMENT SERVICES

### OVERTIME EXPENSES

**Hon. Joan Fraser:** Honourable senators, I hope that the restraint is retroactive, despite the 21.9 per cent increase allotted for. I also hope that regular customers of Tim Hortons were greatly relieved to know that the price of a double-double related only to a Citation and not to a Challenger. That is comforting for taxpayers.

Honourable senators, my question relates to the business of office management. The item that caught my eye was the light switch that cost \$1,000. The issue that fascinates me is not only the sum of money involved, but also the explanation for spending \$1,000 to change a light switch. Apparently, they did not want to disturb anyone during the day, so they did it at night. By Quebec law, electrical work that is done after four o'clock in the afternoon must be charged at overtime rates and for a minimum of four hours. I do not know how many light switches the honourable senator has had changed in her house, but it sure does not take four hours to change them in mine.

• (1440)

As we go forward with this admirable policy of restraining expenditures, could the minister tell us if the government plans to do what private enterprise does as a matter of routine when it is time to restrain expenditures, that is, to say there shall be no overtime worked without prior authorization by someone senior enough to judge whether or not it is justified?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, I have nothing more to add with regard to this issue, other than what I reported to Senator Cordy. Minister Ambrose today said that these expenditures are over the top and offensive, particularly to hard-working Canadian taxpayers. These contracts are awarded by the department, and she has asked her deputy minister to investigate these outrageous expenses. I am quite confident that not only will she get to the bottom of it, but that these practices will be stopped.

**Senator Fraser:** Will the honourable senator take back to Minister Ambrose the concept of prior authorization for overtime rather than just blanket authorization of overtime because it might disturb some civil servant somewhere?

**Senator LeBreton:** That is a suggestion that I will not only share with Minister Ambrose, but I will share it with all of my colleagues in cabinet, most particularly the President of the Treasury Board.

As has been indicated in the budget, the government is very serious about living up to our obligations with regard to the stimulus package and, at the same time, restraining expenditures so that we can eliminate the deficit as quickly as possible.

[ Senator LeBreton ]

[Translation]

## QUEBEC

### HARMONIZED SALES TAX

**Hon. Jean-Claude Rivest:** Honourable senators, things were purchased when Quebec harmonized its sales tax with that of the federal government. Yesterday, the government voted against a Bloc Québécois amendment calling on the federal government to agree to the demands of Quebec and pay, as it did to the other provinces, the compensation owed to Quebec, since Quebec has already harmonized its sales tax.

I would like to ask the minister if the vote by government side yesterday means that the federal government is refusing to pay Quebec what it is owed with respect to sales tax harmonization.

I would also like to point out to the minister that her colleague, Minister Paradis, suggested the possibility of an agreement towards the end of 2010 or in 2011. Furthermore, Quebec's finance minister also said an agreement was pending. I wonder if the minister could give us an update and reassure the Senate that the Canadian government does indeed intend to pay Quebec the same kind of compensation for harmonizing its sales tax as it has paid to other Canadian provinces.

[English]

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, as the honourable senator knows, the harmonized sales tax was arranged in Atlantic Canada under the previous government. There was a different regime and a different arrangement in Quebec, generated mostly by Quebec, although I do understand that the Minister of Finance and officials have discussed this matter. I do not know what the status of those negotiations are, but I would be happy to take the question as notice.

## INFORMATION COMMISSIONER

### ACCESS TO INFORMATION REQUESTS

**Hon. Jim Munson:** Honourable senators, my question is for the Leader of the Government in the Senate. Canada's interim Information Commissioner recently announced that she will be launching an investigation into political interference with access to information requests in the Department of Public Works and two other departments. Canadians were promised accountability and transparency by this government and are, frankly, outraged that individuals and media must wait five to six months to have an information request answered when the standard waiting time is 30 days or less. I am sure Senator Wallin and Senator Duffy would understand and join me in this concern. Even more so, Canadians are outraged when political staffers override the due diligence of knowledgeable public servants and stop the release of information for political reasons.

Can the Leader of the Government in the Senate assure us that the interim Information Commissioner will have the necessary and prompt support she will need from government to conduct this investigation?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, the answer is very short: Absolutely.

**Senator Munson:** I appreciate the honourable senator's answer, but we know what happens when one speaks up: Zap, you are gone; zap, your credibility is discredited.

**An Hon. Senator:** Oh, oh.

**Senator Munson:** We are looking at today. We cannot look to the past. We must look at today's history. The honourable senator is into her fifth year here.

**Some Hon. Senators:** Hear, hear.

**Senator Munson:** Her fifth and last year.

**Some Hon. Senators:** Hear, hear.

**Senator Munson:** The names Richard Colvin and Linda Keen come to mind. Does Suzanne Legault, the interim Information Commissioner, await the same fate as those devoted public servants?

**Senator LeBreton:** Every few weeks, I get ridiculous questions and, of course, that one is right up there at the top of the list.

The fact is that the government and political staff have been warned and told that they are not ever to interfere with the access to information process. This is something that is handled by public servants. Some of the issues that we are now seeing, such as the Farm Credit Corporation expenses made public through access to information, are of course because our government, in order to open up this process, added 70 more institutions, such as the Wheat Board and the CBC, to the Access to Information Act and are now accountable to Canadians.. This is the action that we have taken.

As I pointed out, I am sure it has created additional work for public servants who handle the access to information requests, but the government is fully committed to the Access to Information Act.

With regard to the present matters that are before the interim Information Commissioner, because they are before the commissioner and she is investigating them, I cannot comment specifically on them. I only reiterate that the government totally supports the work of the Information Commissioner.

**Senator Munson:** Honourable senators, the leader may use the phrase "ridiculous questions," but I want to tell her that I sincerely appreciated her two candid answers. I thank the honourable senator.

[Translation]

## CANADIAN HERITAGE

### FRANCOPHONE BROADCASTING SERVICES

**Hon. Marie-P. Poulin:** Honourable senators, my question is for the Leader of the Government in the Senate. It is a question of great importance to Ontario's francophone community and

people in many regions in Canada, who are very worried about the reduction in French-language broadcast services in Ontario, as well as the reduction in CBC/Radio-Canada regional services across the country.

• (1450)

Radio-Canada has closed its regional station in Windsor, CBEF, which provided Windsor and the surrounding area with regional French-language programming and contributed to the national network. Today, Windsor has only three Radio-Canada employees, who make up a small news team. I do not need to explain the importance of a regional French-language radio station in Windsor, a city located near the Canada-U.S. border, where service in French is vital to a bilingual country, a modern Canada, a Canada that is proud of its two founding nations.

Can the minister assure the Senate and all Ontario francophones that the funds needed to maintain regional French-language services in Windsor will be allocated to CBC/Radio-Canada by your government?

[English]

**Hon. Marjory LeBreton (Leader of the Government):** I thank the honourable senator for the question. Our government supports bilingualism; however, can honourable senators imagine the uproar that would ensue if this government ever tried to tell the CBC what to do? The CBC has a budget of \$1.1 billion.

Senator Poulin, this question is more properly directed to the CBC, but I am happy to refer the question to the Honourable James Moore. In his discussions with the CBC, Minister Moore may try to ascertain what the Crown corporation is doing.

Far be it from us to try to tell CBC what to do. If we could tell the CBC what to do we would probably have a completely different product on the air than we do now.

[Translation]

**Senator Poulin:** Honourable senators, French-speaking Ontario has not only lost a regional radio station; during the financial difficulties of our only public and national broadcaster, the public affairs program *Ontario 30*, produced by Ontario's four regional stations — CJBC in Toronto, CBON in Sudbury, CBOF in Ottawa, and CBEF in Windsor, which is no longer in operation — was the only program to be cancelled.

According to the Commissioner of Official Languages, the CBC/Radio-Canada decision to make cuts to the Windsor station had very negative consequences on the vitality and development of the official language minority community in Southwestern Ontario. He said that CBC's decision to more or less eliminate CBEF was inconsistent with section 41 of Part VII of the Official Languages Act.

Could the minister bring this matter to the attention of her colleague and her government?

[English]

**Senator LeBreton:** Honourable senators, of course I will. The honourable senator has raised a serious concern with regard to the operation and management of Radio-Canada. It is not within the purview of the government to set policies for Radio-Canada or CBC, but I will absolutely bring her concerns and those of the Official Languages Commissioner to my colleague the Honourable James Moore.

[Translation]

**Hon. Maria Chaput:** I have a supplementary question, honourable senators.

I worry when I hear about such cuts. As you know, I am from Manitoba and I know how important CBC/Radio-Canada radio and television are. It is often through these broadcasts that the face of a minority community and the faces of artists from that community are recognized. I am very worried because what happens in one region of Canada can easily snowball.

I would like to reiterate Senator Poulin's request, Madam Minister, and ask that you please discuss this with the minister responsible as soon as possible.

[English]

**Senator LeBreton:** I appreciate the honourable senator's concerns. I know how important official language services are, especially in minority language areas of the country. I will absolutely bring her concerns to the attention of my colleague the Honourable James Moore.

[Translation]

**Hon. Claudette Tardif (Deputy Leader of the Opposition):** Honourable senators, nearly one year ago, on March 31, 2009, I shared with you my concerns about the loss of 800 jobs at CBC/Radio-Canada and the elimination of key positions in Western Canada. The Leader of the Government in the Senate indicated at that time that she would share my concerns with Mr. Moore, the Minister of Canadian Heritage, but I never heard anything about what came out of those discussions.

Could the minister tell us how she followed up last year with Minister Moore and how she will follow up this time?

[English]

**Senator LeBreton:** I want to make it clear that I do pass on these concerns. Minister Moore, in his capacity as Minister of Heritage, meets regularly with all of the stakeholders in his department. However, the minister cannot tell CBC where it is to allocate its funds and what programming it is obligated to put on the airwaves. Honourable senators, I dare say if the minister ever tried such a thing it would create a crisis. We would be accused of interfering with the public broadcaster and interfering with free speech and it would go on and on.

To answer Senator Tardif's question, when there are such concerns, I pass them on to Minister Moore. The CBC could say, "Yes, Minister Moore, we hear you," and do nothing. Who knows what they said to him.

I pass on legitimate concerns, but when dealing with a Crown corporation like the CBC, the minister is not in any position to give direction or to report back what they said.

I will attempt to get some direction from Minister Moore as to what actually happened when he has had his discussions with the CBC in terms of their obligation to our citizens in both official languages. Perhaps I erred in not following up and asking Minister Moore what the CBC said. I can probably guess, but in any event, I will follow up.

## SPORT

### 2010 ARCTIC WINTER GAMES—FUNDING

**Hon. Tommy Banks:** Honourable senators, my question is to the Leader of the Government in the Senate.

• (1500)

A few months ago, before prorogation, I mentioned the Arctic Winter Games to the leader. These games are taking place in Grande Prairie. They began last week and they conclude on Saturday.

There are 1,100 Canadian athletes participating in the Arctic Winter Games; 236 Canadian athletes participated at the Winter Olympics in Vancouver.

The Province of Alberta and the City of Grande Prairie and its surrounding municipal district have provided the several millions of dollars for the games. The Arctic Winter Games began in 1970.

In the first year, the federal government contributed \$400,000 to the games. Year after year, each government has contributed \$400,000 to the games. However, things do not cost the same today as they did in the 1970s.

I asked the leader before the prorogation whether it is possible that the federal government could even modestly increase its contribution from \$400,000. I asked for an increase to take into account the financial realities of our time.

Has the minister had an opportunity to address that issue with the responsible ministers in her cabinet?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, I will have to check, but my understanding is that the Arctic Winter Games International Committee did not request an increase. However, I will seek this information and take the question as notice.

## ORDERS OF THE DAY

### SPEECH FROM THE THRONE

#### MOTION FOR ADDRESS IN REPLY— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Poirier, seconded by the Honourable Senator Runciman:

That the following Address be presented to Her Excellency the Governor General of Canada:

To Her Excellency the Right Honourable Michaëlle Jean, Chancellor and Principal Companion of the Order of Canada, Chancellor and Commander of the Order of Military Merit, Chancellor and Commander of the Order of Merit of the Police Forces, Governor General and Commander-in-Chief of Canada.

#### MAY IT PLEASE YOUR EXCELLENCY:

We, Her Majesty's most loyal and dutiful subjects, the Senate of Canada in Parliament assembled, beg leave to offer our humble thanks to Your Excellency for the gracious Speech which Your Excellency has addressed to both Houses of Parliament.

**Hon. Hector Daniel Lang:** Honourable senators, I appreciate the opportunity to address the recent Speech from the Throne read in this place by Her Excellency, the Governor General.

Like my colleague Senator Murray, I want to begin by discussing the issue of prorogation of Parliament, which became such a controversy. I am sorry that prorogation was not recognized for what it is: an opportunity to retool, rethink, and readjust the plans for Canada. Historically, governments of all political stripes have used prorogation for this purpose.

Fellow senators, the reason we have government is that things change. We would not need to be here if things did not change. We could have a Speech from the Throne and then go home.

That is not the way things are. Instead, parliamentarians, whether at home or in the House of Commons or in this place, have a 24/7 job that requires us always to be alert for new developments. That is why I regret that the prorogation controversy sent out the message, day after day after day, that if we are not on the Hill, we are not working. It reinforced the belief that parliamentarians only work part time. All of us know that is not true.

Whether Liberal, Conservative or NDP, I believe it is important that we be careful not to consciously diminish people's view of parliamentarians and the Parliament in which we serve. In my view, doing so not only harms our personal reputations but, more importantly, it harms our democracy. As a result, we must work even harder at earning people's trust and respect so that they recognize that parliamentarians have the best interests of Canada in our hearts and minds.

I take heart that the Speech from the Throne sets out a clear direction for our country. While I agree with continuing the stimulus of Canada's Economic Action Plan, the Speech from the Throne looks down the road to when the country's economy is once again growing. At that time, we will be able to balance our budget. It is absolutely essential that all parliamentarians look to the future and realize that we have a major challenge ahead of us. Some have called for increased taxes, but I am pleased to note that the government has chosen instead to hold the line on taxation. Without the drag of further taxation, our economy will make a more speedy recovery.

Fellow senators, it is gratifying to see that the government has highlighted once again Canada's Northern Strategy as a cornerstone of government policy. The Speech from the Throne correctly notes that Canada is committed to developing the North, with and for the people of the North, for the good of all Canadians.

I invite fellow senators to imagine a North that is vibrant, a place where investments are ongoing and entrepreneurship flourishes. I ask them to see before their eyes the opening up of a new part of Canada where there is untold wealth and resources and a beauty that one can only imagine. These beauty and resources can be shared by all Canadians.

We are at a time in our history where Canada's North can catch the imagination of Canadians, especially our young people. It is a place to dream about, a place where hope and the possibilities of the future can inspire Canadians to show the world what we can do and what we are made of, just as our athletes did at the Winter Olympics.

The last time Canada's national government paid so much attention to the North was under the leadership of the Right Honourable Prime Minister John Diefenbaker and his Road to Resources program.

Fortunately, now we have another Prime Minister prepared to respond to the responsibilities, challenges and opportunities that Canada's North offers Canadians. With Canada's Northern Strategy and its four pillars — exercising our Arctic sovereignty; protecting our environmental heritage; promoting social and economic development; and improving and devolving Northern governance — Canada has taken on a national challenge that will inspire the imagination of all Canadians and will help bring us together in common cause.

I would like to now refer to the Speech from the Throne's pledge to continue with the reform of our justice system. As honourable senators will know, in the last Parliament, I, like many others, voted in support of the government's initiative to better protect our citizens. I am delighted to be joined by our five new colleagues, including Senator Runciman. I was struck the other day by some of his words, which I wish to quote:

Canadians expect violent offenders to serve their time in jail rather than in the comfort of their own living rooms. They expect authorities to have the tools to combat organized drug trade, that the murderers of Aboriginal women be caught and punished, and that white-collar criminals pay a price for stealing the hopes and dreams of

hard-working Canadians. When arrests are made, they want a trial conducted in a timely fashion. A trial that drags on for months or even years becomes a war of attrition rather than a search for truth and justice.

• (1510)

To Senator Runciman, I say, “Amen, and welcome to this place.”

Earlier, I mentioned the place of the North in the government’s vision. I would now like to speak to some good news from my part of the world, Yukon.

Yukoners are pleased that the federal government has decided to extend the Territorial Health System Sustainability Initiative. It was a very important step to assist Yukon, Northwest Territories and Nunavut to deliver quality health care to the people of the North.

I can also report that Yukon is also responding well to the stimulus already announced in Canada’s Economic Action Plan. I have spoken before of the importance of the Prime Minister’s visit to Yukon to announce the expansion of the Mayo B hydro facility. This will help Yukon’s economy to continue to grow in an environmentally sustainable way and also help us to cut our greenhouse gas emissions. A multitude of other infrastructure projects are also proceeding well and they are putting Yukoners — Canadians — to work.

Last year was a record year for mining in Yukon. Two additional mines are now scheduled to come into production in the near future, and there are potential future mining prospects on the horizon.

The Speech from the Throne emphasized jobs and growth, and that was welcomed in Yukon. Currently, Yukon has been the beneficiary of \$500 million worth of mining, exploration and development, in good part funded by foreign investment. I want to go on the record as saying that I endorse the government’s support for pursuing more free trade agreements, recognizing that foreign investment is sparking a new era of prosperity for Canada. The end result is jobs for Canadians that pay well and help them to meet their dreams and aspirations for their families.

In closing, honourable senators, I want to mention the enormous pride I felt as a Canadian as I joined 35 million of my countrymen day after day to watch the performance of our athletes during the Olympics. I want to go on the record as saying I am very proud of our athletes, including those who did not reach the podium but who demonstrated their passion, commitment and courage for all the world to see.

The Olympic spirit was recently replicated in Yukon with the Yukon Quest International Sled Dog Race. This 1,000-mile race from Fairbanks, Alaska, to Whitehorse was won this year by musher Hans Gatt of Whitehorse. This event enjoyed perfect weather and racing conditions, and Hans set a record time of nine days and 26 minutes over 1,000 miles of rugged northern mountains. This feat is indeed of Olympic proportion, not just to win, but even to compete.

[ Senator Lang ]

Honourable senators, Canada has been through a lot over the last year and I believe we have in good part met our challenges. We have found solutions and I want to say I look forward to our new session which, if we work together, should be productive and in the best interests of the regions we represent.

**Hon. Tommy Banks:** Would Senator Lang accept a question?

**Senator Lang:** Yes.

**Senator Banks:** I thank Senator Lang for his excellent speech. Could I ask that he repeat a bit of it? He mentioned four pillars. He talked quite correctly about how important the North is to our country. We are the North. He mentioned the four pillars of the government’s program and policy view of the North. Would he just repeat them for me, please, because I did not hear quite clearly part of the third one? I thank him.

**Senator Lang:** The four pillars are from Canada’s Northern Strategy that was put in place last year: exercising our Arctic sovereignty, which I am sure the senator is familiar with; protecting our environmental heritage; promoting social and economic development; and improving and devolving Northern governance.

(On motion of Senator Tardif, debate adjourned.)

## OFFICE OF THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS ACT

### BILL TO AMEND—SECOND READING— DEBATE ADJOURNED

**Hon. Pierrette Ringuette** moved second reading of Bill S-201, An Act to amend the Office of the Superintendent of Financial Institutions Act (credit and debit cards).

She said: Honourable senators, Bill S-201 is legislation that follows its predecessor, Bill S-241 tabled in the Senate last October, which had followed an enlightening study that the Standing Senate Committee on Banking, Trade and Commerce conducted a year ago into debit and credit card issues in Canada. My colleagues and I heard from stakeholders in all aspects of the industry, from the banking community, the retail industry and, some might say, most important of all, Canadian consumers.

Following our study and throughout 2009, I continued to hear from Canadians across the country, from both small- and medium-sized businesses and consumers alike. I heard heartbreaking stories of seniors on fixed incomes who have to resort to credit cards to pay for medication. I heard stories of Canadians who have fallen on hard times in this difficult economy who are using credit cards for groceries and other essentials. I have met with retailers who are frustrated by their incapacity to negotiate with the credit card and debit card companies and their equipment providers and face costs that are continuously going up.

[Translation]

None of the people who wrote to me or with whom I spoke wanted a favour. No one was looking for a free ride. All they wanted was to be treated fairly.

During the committee's study last spring, my colleagues and I asked difficult questions of the representatives from Visa and MasterCard and from the Canadian banking sector. Unfortunately, since it was a public committee, the banking representatives were generally reluctant to provide their figures. It is understandable that a bank would not want its proprietary information regarding its profit margin and the costs associated with using debit and credit cards revealed to the public.

• (1520)

[English]

However, in the last few weeks our big Canadian banks have put out their reports on the last quarter, and here are the results: Royal Bank of Canada at \$1.497 billion, up \$397 million or 35 per cent from last year and 21 per cent from last quarter; Toronto Dominion, \$5.037 billion, up \$887 million from the same period last year and up \$319 million from the last quarter; Canadian Imperial Bank Of Commerce, \$652 million compared with net income of \$147 million last year, which is 4.5 times last year's net income; the Bank of Montreal, \$657 million, up \$432 million from a year ago; and Banque Nationale, \$215 million compared to a net income of \$69 million in the first quarter of 2009.

How much will the \$5 billion in corporate tax credit in the budget tabled last week increase the net income of those banks?

Now for the bonuses: bonuses at the country's six largest banks will reach a record \$8.3 billion for fiscal year 2009. That is \$8.3 billion in bonuses alone, an increase of 18 per cent from last year, and 4 per cent from 2007.

For my colleagues who were saying "bravo" a few minutes ago, these banks are the same financial institution that all Canadian taxpayers bailed out in the last 10 months in the following ways: \$60 billion to buy back mortgages; \$12 billion to buy back auto leasing; and \$30 billion in liquidity from the Bank of Canada. Wow, aren't you just great; and this is equity for all Canadians.

There may be more ways. I know that taxpayers provided over \$102 billion to those financial institutions that today are recording major profits and major bonuses.

As an aside, while the big banks' big bosses give themselves \$8.3 billion in bonuses, the rank-and-file employees, who work hard to supply customer services in our local communities, have to initiate lawsuits against these banks to have their overtime paid.

I name BMO, Nesbitt Burns and Scotiabank. It is all in the public records.

How can we accept that taxpayers are still paying record rates of interest, between 18 and 30 per cent, on credit cards at the same time that the Bank of Canada's overnight rate is at .25 per cent and the average bank prime rate is at 5 per cent?

[Translation]

Following our study, senators from both sides worked together to produce a unanimous report which called for Canada's credit and debit card system to be more transparent. To be clear, I would like to quote the first recommendation of this report:

That the federal government appoint an oversight board, within an existing federal organization, that would consult with participants from Canada's credit card and debit card payment systems as well as relevant federal stakeholders.

The proposed oversight board's mandate should be to:

And I will quote what was recommended by the committee, under a serious time crunch:

- make recommendations, by 31 December 2009, on any regulatory or legislative measures that it considers to be required to ensure fairness for participants in the credit card and debit card payment systems;
- monitor and publish annually information on trends in interchange, switch, merchant and other associated payment systems fees; and
- establish a code of conduct for payment systems participants and practices for setting fees and rates, in respect of which it should ensure compliance.

Honourable senators, Bill S-201, which we are debating here today, aims to put that recommendation into practice. Fortunately there is already a federal institution in place — the Office of the Superintendent of Financial Institutions — that has access to and has built a working trust with Canada's banking community.

My bill proposes to expand the mandate of the Superintendent of Financial Institutions to allow his office to monitor and, more importantly, to make recommendations regarding the fees and charges related to the use of debit and credit cards in Canada.

[English]

It should be noted that the Minister of Finance has already begun to take steps toward addressing some of the pressing issues regarding the use of credit cards in Canada. To be clear, I wholeheartedly support his initiatives. However, the unfortunate reality is that he has not gone nearly far enough.

It is also most unfortunate that, although the minister has received thousands of letters from the business community requesting government intervention on their increasing fees for credit and debit card use, Minister Flaherty is considering only a voluntary code of conduct.

Similar changes to those proposed in Minister Flaherty's code of conduct were legislated in the U.S. and enacted on February 22, 2010. *The Wall Street Journal* reported the following on February 20:

But card issuers are already deploying new tactics that could prove costly for even the most cautious cardholder. . . .

. . . So get ready for higher annual fees, higher balance-transfer charges, and growing charges for overseas transactions.

This article reinforces the need for Bill S-201, which will provide continuous oversight on fees and charges.

Honourable senators, I have serious doubts that all credit card issuers, banks, financial institutions, Visa, MasterCard and all the electronic equipment providers, who are the ones who sign contracts with the merchants, will accept the voluntary code of conduct when one is made public.

Furthermore, nothing in what has been proposed by Minister Flaherty to date deals with the central issue, which is fees and charges for consumers and businesses. Nothing prevents the increase of fees and charges as long as the institution provides notice. Until we, as parliamentarians, take action to ensure some sort of oversight for this vital industry, Canadians will continue to feel that they are the ones getting the short end of the stick.

• (1530)

To be clear, I assure honourable senators that this legislation is not the final chapter, nor is it a crusade against the banks. This bill absolutely does not prejudice the facts at hand, does not cap interest rates or fees and does nothing to hamstring banks or credit card companies. All this legislation seeks to provide is fairness for Canadian consumers and merchants.

Bill S-201 calls on the Office of the Superintendent of Financial Institutions to provide an annual report to the Minister of Finance on rates and fees charged for the use of credit and debit cards in Canada.

The bill also calls on the superintendent to make recommendations to the Minister of Finance for any legislative or regulatory changes that he might deem necessary to improve fairness in the marketplace. The final decision remains with the government of the day whether to proceed with any proposed recommendations. The Minister of Finance and, of course, Parliament have the final say in the matter.

[Translation]

I would also like to emphasize that this bill calls for no additional burden on the government's bottom line. Canadians do not want to see an expanded bureaucracy at a time when they are tightening their own belts. They want value for their tax dollars and, by expanding the mandate of an existing federal institution, that value will be achieved.

I understand there will be some opposition to this measure. I know that the banking community, as well as Visa and MasterCard, are hesitant about additional oversight in their own affairs. While I can understand their reluctance, I simply cannot support it and, from what I have been hearing, neither can Canadians.

[English]

Canadians simply cannot understand that while interest rates have dropped to an historic low across the board, credit card interest is as high as it is and continues to rise. Canadians cannot understand why they can find an unsecured line of credit at 6 per cent interest, but their credit card statement shows they are paying 24 per cent. I can understand their frustration.

[ Senator Ringuette ]

Small- and medium-sized businesses are struggling to survive this recession while fees are being hiked without justification by Visa and MasterCard and their terminal operators.

We have an opportunity to help those Canadians. By adopting Bill S-201, we will take the first steps toward providing transparency, accountability and, yes, fairness in the credit and debit card systems in Canada.

I look forward to debating this issue, but I remind honourable senators that as more and more Canadians lose their jobs, income and businesses, they are running out of time for help. They need urgent action, not prorogation.

The Standing Senate Committee on Banking, Trade and Commerce has no legislation before it and should be ready to review this bill next week. I hope honourable senators will join me in passing Bill S-201 shortly.

(On motion of Senator Greene, debate adjourned.)

## CANADIAN PAYMENTS ACT

### BILL TO AMEND—SECOND READING— DEBATE ADJOURNED

**Hon. Pierrette Ringuette** moved second reading of Bill S-202, An Act to amend the Canadian Payments Act (debit card payment systems).

She said: Honourable senators, it will come as no surprise that my second bill today also relates to the debit card market in Canada. Bill S-202 is a short bill, but one that is extremely urgent for us to consider.

[Translation]

Numerous studies have proven that Canadians, per capita, are among the most active users of debit card payment in the world. However, the debit card industry is about to undergo a very drastic transformation, one that could negatively impact all consumers as well as small- and medium-sized businesses across our country.

Interac, the not-for-profit debit system that most Canadians are familiar with, will soon be facing competition in the Canadian marketplace from both Visa and MasterCard. Unfortunately, this competition might not be on a level playing field.

[English]

Although the Competition Bureau has recently ruled that Interac must remain not-for-profit for the time being, thus limiting its financial resources, the Competition Bureau has not yet reported on its investigation of the market dominance by Visa and MasterCard in the credit card market. This lack of ruling leaves the two giants — Visa and MasterCard — all the manoeuvring space they want to dominate the debit market in Canada.



During the recent study completed by the Standing Senate Committee on Banking, Trade and Commerce, witnesses from merchant associations and industry stakeholders painted a dismal picture of the after-effects of the entry of Visa and MasterCard into the debit market in the United States.

Many of us take as gospel that increased competition leads to better value for consumers under normal circumstances. The debit card market may be the exception that proves the rule. In the U.S. experience, Visa and MasterCard use their deep pockets and their already considerable net worth of credit card contacts to push smaller debit players out of the way and take a dominant market position.

[Translation]

While prices were lower at first, Visa and MasterCard increased their market share quickly and, soon enough, their rates and fees were higher than merchants had been paying in the past.

The real concern is that debit fees, which began as a flat fee per transaction, quickly became a combination of flat fee plus an additional percentage of the purchase cost.

It is beyond me why debit transactions should be subject to a percentage fee when they involve a direct transfer of funds from one account to another, with zero risk involved. None of us wish to see a repeat of the U.S. situation here in Canada, especially not at the expense of Interac, a genuine Canadian success story.

[English]

Bill S-202 is a small step that amends the Canadian Payments Act specifically to name Interac, MasterCard and Visa debit systems as designated payment systems.

Minister Flaherty has announced his intention to create a task force to review the Canadian Payments Act. The task force is to submit its recommendation at the end of 2011 — not 2010 even but at the end of 2011. That is at least 21 months of unfairness for our Canadian entity, Interac.

• (1540)

In adopting this legislation, we would simply be ensuring that all debit card systems in Canada, whether Interac, Visa or MasterCard, operate under the same legal framework. This is simple common sense, and is a measure which has been called for by small- and medium-sized businesses across Canada. It requires no financial costs to the Canadian taxpayer and does nothing to impede competition in the debit card marketplace. It simply ensures that any competition occurs on a level playing field for all participants.

As I mentioned earlier, I am unaware of any pressing business before the Standing Senate Committee on Banking, Trade and Commerce. This is a very important matter. Bill S-202 should not wait, and it should be sent to the Banking Committee for immediate review.

(On motion of Senator Greene, debate adjourned.)

[Translation]

## HAITI

### INQUIRY—DEBATE ADJOURNED

**Hon. Suzanne Fortin-Duplessis** rose pursuant to notice of March 4, 2010:

That she will call the attention of the Senate to Canada's response to the devastating earthquake that occurred in Haiti on January 12, 2010.

She said: Honourable senators, on January 12, Haiti was rocked by an earthquake that registered 7.0 on the Richter scale. The disaster shattered the lives of millions of people. Some 230,000 were killed, another 300,000 injured, and approximately 3 million Haitians were left without access to food, drinking water, medical care and shelter. The earthquake also had a tragic impact on several Canadian families. Since those terrible first days, our thoughts have been with the mothers and fathers, husbands and wives, children and other relatives of the 38 Canadian victims. We share their pain and their grief.

Many Canadians and their government were deeply troubled by the suffering and the sheer number of earthquake victims. The Canadian government was one of the first to respond and offer help to the Haitian people and their government.

In the hours following the catastrophe, Canada swiftly organized its humanitarian response through Foreign Affairs' natural disaster response task force. The goal was simple: help the Haitian government and the United Nations save lives and minimize the suffering of those affected.

At the request of Foreign Affairs Minister Lawrence Cannon, an interdepartmental strategic support team was immediately sent to Haiti. The team included personnel from Foreign Affairs, the Canadian International Development Agency and National Defence Canada, and was one of the first teams of experts to arrive in Port-au-Prince 20 hours after the earthquake. Team members, working closely with the Disaster Assistance Response Team, better known as DART, immediately went about assessing the extent of the devastation and humanitarian needs to identify possible actions that Canada could take.

Among those measures, the Canadian International Development Agency's entire emergency stock, including blankets, tents, tarps, emergency shelters, mosquito netting and hygiene kits, was sent to Haiti to meet the most pressing needs.

One of the most visible aspects of Canada's intervention was the deployment of 2,000 Canadian Forces personnel — as part of operation Hestia — to support international humanitarian relief. This operation saw the deployment of a naval task force consisting of HMCS *Athabaskan* and HMCS *Halifax*, six CH-146 Griffon helicopters and the Disaster Assistance Response Team. The Canadian Forces personnel and resources were deployed mainly to the Léogâne and Jacmel regions, two cities hard hit affected by the earthquake. The troops have provided medical services and are doing engineering and

security work there. To date, the Canadian Forces have delivered and produced more than 1.5 million litres of drinking water and have treated more than 20,000 people at the clinic in Jacmel and the field hospital in Léogâne.

This was in addition to the assistance provided by the air force, which conducted airlifts with a CC-177 Globemaster and a CC-130 Hercules. These flights helped deliver much-anticipated humanitarian relief and also evacuated Canadians in the first weeks following the disaster.

The Royal Canadian Mounted Police set up a government-wide team, including forensic identification specialists to identify victims of the disaster. The team is working at a number of priority sites in Port-au-Prince with the support of the police and Canadian consular officers in order to locate survivors and recover victims' remains.

Locally, Canada benefitted from its good relations with the governments of the Dominican Republic and Jamaica. In the days following the earthquake, the Minister of State of Foreign Affairs, Peter Kent, spoke to his Dominican and Jamaican counterparts about the logistics of our humanitarian operations. The Government of the Dominican Republic allowed Canada to use its infrastructure for the deployment of Canadian Forces and humanitarian relief for Haiti, while Jamaica allowed Canada to use Norman Manley International Airport as an air hub. Canada is very grateful to the Dominican and Jamaican governments for their cooperation during the crisis in Haiti. This cooperation among our countries facilitated the quick delivery of humanitarian relief and helped save lives.

The Canadian government also works closely with the United Nations Stabilization Mission in Haiti, or MINUSTAH, to which it is currently contributing some 84 Canadian police officers and five members of the Canadian Forces, and is planning additional deployments.

Canada shares the United Nations' grief over the deaths of 92 employees, including two members of the RCMP and four Canadian civilian employees, and the disappearance of seven others. Despite these tragic circumstances, MINUSTAH has shown leadership in distributing humanitarian aid and maintaining public safety in Haiti.

Canada spared no effort to help the Canadians who were in Haiti when the earthquake struck. The numbers for the consular operation are impressive, to say the least. Foreign Affairs' Emergency Operations Centre in Ottawa handled nearly 50,000 calls; 4,600 people were evacuated to Canada on Canadian Forces aircraft; 1,900 other Canadians were located; nearly 200 people in distress were rescued and taken to safety; special measures were put in place for people hard hit by the crisis; and more than 200 Haitian orphans were reunited with their new adoptive families in Canada.

• (1550)

This operation was a success thanks to the cooperation and hard work of thousands of dedicated Canadians.

The staff of the Canadian embassy in Port-au-Prince has done an outstanding job under extremely difficult circumstances. Even though none of the embassy employees died, all have been affected by the loss of a relative, friend or colleague.

To give them a hand, 100 Government of Canada employees have been temporarily deployed to Port-au-Prince. They include not only immigration and consular services officers, but also employees of Foreign Affairs, the Canadian International Development Agency, the RCMP, National Defence and the Sûreté du Québec. Despite the circumstances and extensive damage to the building, the embassy continues to play a key role in providing emergency assistance and will contribute to Haiti's long-term reconstruction.

The private sector also played a part in the Canadian effort. Air Canada, Air Transat and WestJet all made aircraft available to the Government of Canada to send personnel and humanitarian aid to Haiti and bring evacuees and orphans to Canada.

Also noteworthy was the contribution of our provincial partners, particularly the Government of Quebec, which immediately coordinated with the Canadian Red Cross to receive evacuees from Haiti. I also have to stress the fantastic work of the Canadian Forces. Our Canadian Forces search and rescue experts started working in the early hours of this crisis to find Canadians trapped under the rubble.

Even though specialized searchers are still working in Port-au-Prince, Canadian officials, along with the Haitian government and their international counterparts, have begun the first steps in reconstruction.

After a Friends of Haiti conference call, hosted by Canada on January 17, Canada took upon itself to organize a ministerial preparatory conference on Haiti, which was held in Montreal on January 25. This meeting helped bring together the key partners involved in international efforts in Haiti as well as the representatives of Haiti's civil society and the Haitian diaspora. The purpose of the meeting was to review the situation in the country, move coordination efforts forward and develop a clear vision for the country's recovery and reconstruction.

A plan was developed with clear objectives, which focused on democratic governance, sustainable social and economic development, as well as stability. In light of the magnitude of the disaster, the participants also agreed that long-term involvement of at least 10 years would be necessary.

In a document entitled "Chairman's Statement," published after this conference, Minister Cannon stressed the importance of leadership and the sovereignty of the Government of Haiti, the need for coordinated action led by the United Nations, and a commitment to sustainability, effectiveness, inclusiveness and accountability.

This meeting opened the door to a major conference on the reconstruction of Haiti, which will be held on March 31 in New York City. A number of countries, organizations and donors have been invited to this conference, which will play a key role in helping to build a new Haiti.

[ Senator Fortin-Duplessis ]

In that spirit, Prime Minister Harper was the first G20 leader to visit Haiti after the earthquake. During his visit on February 15 and 16, 2010, Mr. Harper announced that Canada would support the construction of a temporary government administrative base for the Haitian government in Port-au-Prince, in response to the request of Haitian Prime Minister, Jean-Max Bellerive. Canada will provide up to \$12 million for the base, which will accommodate key ministries and Haitian public servants. It will enable the Haitian government to centralize its operations in order to more effectively manage and coordinate the hard work ahead.

As for Canadian aid on the ground, the Canadian International Development Agency and the Stabilization and Reconstruction Task Force are determined to offer their expertise and financial support for the reconstruction of Haiti. At this time, Canada is working closely with the Haitian government and the international community to assess the needs in terms of infrastructure and capacities.

Unfortunately, the capacities of Haitian security institutions were seriously affected by the disaster, both in terms of human resources and infrastructure. For instance, the disappearance of many police officers with the Haitian National Police had a direct impact on police presence on the streets of Haiti. Furthermore, some prisons were seriously damaged, allowing thousands of inmates to escape, which poses a number of challenges in terms of security.

The results of the needs assessment process following the disaster will allow us to make the necessary adjustments regarding our main areas of commitment.

Canada intends to further support judicial reform, which it sees as a cornerstone of the reform of Haiti's security systems.

**The Hon. the Speaker *pro tempore*:** I regret to say, honourable senator, that your time has expired. Do you seek leave to continue?

**Senator Fortin-Duplessis:** Honourable senators, I ask permission to extend my time by another five minutes.

**The Hon. the Speaker *pro tempore*:** Will you agree to extend the honourable senator's time by five minutes?

**Hon. Senators:** Agreed.

**Senator Fortin-Duplessis:** The main goal of the Stabilization and Reconstruction Task Force is to increase the ability of key players to fulfill their obligations in a transparent manner and to allow the people of Haiti greater access to services.

Canada's swift response to the tragic events of January 12 was extraordinary, but we must not forget that our country's work in Haiti began long before the catastrophe. Haiti is in fact the largest recipient of Canadian development assistance in the Americas. For the period from 2006 to 2011, Canada's contributions to development assistance for Haiti total \$555 million, second only to the United States. In addition, our country forgave Haitian

debt in September 2009. Following the disaster, the Government of Canada contributed an additional \$85 million to support the work of the United Nations, the Red Cross and Canadian NGOs.

Two months after the earthquake, Canadians can be proud of their efforts to help the victims and of the Canadian government's swift response to the tragedy. Thanks to their extraordinary generosity toward the Haitian people, matched dollar for dollar by the Government of Canada, Canadians helped raise \$150 million.

Canada is involved in the international effort and working with the government and the people of Haiti to address the challenges of reconstruction. It will take years for Haiti to recover, and Canada will be there to help.

I am glad to have had this opportunity today to report on our response to the Haitian tragedy and to thank the men and women everywhere who have helped this utterly devastated population, which has experienced so many trials.

(On motion of Senator Comeau, debate adjourned.)

• (1600)

## BUSINESS OF THE SENATE

### MOTION TO ENGAGE SERVICES OF ALL SELECT COMMITTEES FOR REMAINDER OF CURRENT SESSION ADOPTED

**Hon. Gerald J. Comeau (Deputy Leader of the Government),**  
pursuant to notice of March 9, 2010, moved:

That, pursuant to section 1(2) of chapter 3:06 of the *Senate Administrative Rules*, all select committees have power, for the remainder of the current session, to engage the services of such counsel and technical, clerical, and other personnel as may be necessary for the purpose of their examination and consideration of such bills, subject matters of bills and estimates as are referred to them.

(Motion agreed to.)

### MOTION TO PERMIT ELECTRONIC COVERAGE OF ALL SELECT AND JOINT COMMITTEES FOR REMAINDER OF CURRENT SESSION ADOPTED

**Hon. Gerald J. Comeau (Deputy Leader of the Government),**  
pursuant to notice of March 9, 2010, moved:

That, for the remainder of the current session, all select and joint committees be authorized to permit coverage by electronic media of their public proceedings with the least possible disruption of their hearings.

(Motion agreed to.)

MOTION TO AUTHORIZE HUMAN RIGHTS,  
OFFICIAL LANGUAGES AND NATIONAL SECURITY  
AND DEFENCE COMMITTEES TO MEET ON MONDAYS  
FOR REMAINDER OF CURRENT SESSION ADOPTED

**Hon. Gerald J. Comeau (Deputy Leader of the Government),**  
pursuant to notice of March 9, 2010, moved:

That, pursuant to rule 95(3), for the remainder of this  
session, the Standing Senate Committees on Human Rights,  
Official Languages, and National Security and Defence be

authorized to meet at their approved meeting times as  
determined by the Government and Opposition Whips on  
any Monday which immediately precedes a Tuesday when  
the Senate is scheduled to sit, even though the Senate may  
then be adjourned for a period exceeding a week.

(Motion agreed to.)

(The Senate adjourned until tomorrow at 2 p.m.)

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