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OFFICIAL REPORT  
(HANSARD)

**Wednesday, June 9, 2010**



THE HONOURABLE NOËL A. KINSELLA  
SPEAKER

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*Debates Services:* D'Arcy McPherson, National Press Building, Room 906, Tel. 613-995-5756  
*Publications Centre:* David Reeves, National Press Building, Room 926, Tel. 613-947-0609

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## THE SENATE

Wednesday, June 9, 2010

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

Prayers.

### VISITORS IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I draw your attention to the presence in the gallery of Mr. Jaroslav Romanchuk, the Democratic Opposition's Candidate for President of Belarus; Mr. Anatoly Lebedko, the United Civil Party Chairman and Mr. Romanchuk's candidate for Prime Minister; Mr. Andrei Dmitriev, the International Secretary of the United Civil Party, and Mr. Vladimir Neklyayev, the Director of the Forward Movement Research and Education Establishment.

Our distinguished visitors are the guests of the Honourable Senator Finley. On behalf of all honourable senators, I welcome you to the Senate of Canada.

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

### BUSINESS OF THE SENATE

**The Hon. the Speaker:** Honourable senators, I take this opportunity to advise you that Inuktitut will be spoken today during Question Period. Therefore, the channels will be available for translation, as they were yesterday, pursuant to the agreement of the house.

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## SENATORS' STATEMENTS

### INTERMENT OF ITALIAN-CANADIANS DURING WORLD WAR II

**Hon. Consiglio Di Nino:** Honourable senators, I will start by reading a portion of a letter marked "secret," dated Ottawa, June 10, 1940:

Dear Superintendent Bavin,

I wish to confirm instructions telephoned to your Forces at 1:45 p.m. to-day to take immediately the necessary steps to arrest persons of Italian nationality and/or origin whose apprehension has been approved by the Minister of Justice at 1:30 p.m. to-day.

That secret letter was the beginning of a nightmare for several hundred people — mostly men, and mostly Canadian citizens — whose only crime was to be of Italian heritage. These people were sent to an internment camp. No one was ever charged. Some were interned for as long as three years.

The indignity suffered by these men and women was probably easier to bear than the suffering, pain and shame felt by their spouses and children, their mothers and fathers, brothers and sisters, and their friends. The lives of these internees and the lives of their families were stolen from them, as were their assets — no habeas corpus, no due process. They were forever branded "enemy aliens."

Honourable senators, war is madness — unavoidable at times, but still madness, when even perfectly sane people behave inhumanely. This is but one tragic example. The impact on the lives of each of those affected is lifelong and severe; the scars never heal. Yet, even in the midst of this darkness, sanity and balance are kept alive by courageous and principled individuals. I want to quote a comment made by a Liberal member of Parliament from Parry Sound from that time, Arthur Slight:

The great majority of these people are loyal, law-abiding folk; . . . . In their hearts, the great majority have nothing but mistrust, fear and hatred for the two dictators, Mussolini and Hitler. . . . we should show tolerance and even kindness and sympathy for the position in which they find themselves to-day. . . . show unmistakably our friendship and sympathy in their difficult situation. . . . the teachers in the public schools and the parents of our scholars should see to it that our Anglo-Saxon boys and girls do not taunt or ostracize these boys and girls of foreign origin. . . . By doing so we will warm these people to the land of their adoption. . . .

So be it.

### BATTLE OF NORMANDY

#### SIXTY-SIXTH ANNIVERSARY

**Hon. Catherine S. Callbeck:** Honourable senators, Canadians gathered this past Sunday in communities across the country to commemorate the sixty-sixth anniversary of D-Day. On June 6, 1944, a massive Canadian, British and American force crossed the English Channel to Normandy, France, as part of Operation Overlord.

More than 450 Canadians parachuted inland before dawn to engage the enemy, and approximately 15,000 more, of whom at least 60 were Prince Edward Islanders, later landed at Juno Beach to help lead the Allied advance. Though many of them were young and new to the battlefield, they showed immense courage and skill during the battle. This victory, however, came at a cost: Canadians suffered the most casualties of any division in the British army group during the Normandy invasion.

The success of the Normandy invasion was a turning point in the Second World War. Due to it, Allied forces gained an important foothold in Western Europe. They advanced forward to liberate France, Holland, Belgium and Denmark from Nazi occupation. Eleven months later, the Allies achieved a final victory in Europe.

Honourable senators, the debt we owe these brave Canadians can never be repaid. We must be eternally grateful for their sacrifices. We must never forget those who paid the ultimate price.

[*Translation*]

## UNITED NATIONS

### MILLENNIUM DEVELOPMENT GOALS

**Hon. Lucie Pépin:** Honourable senators, on May 12, 2010, the International Cooperation Ethics Advisory Agency brought together parliamentarians, ambassadors, diplomats from African countries, Canadian NGOs and academics in Ottawa. Senator Jaffer and Senator Chaput also participated.

This meeting provided an opportunity to discuss Canada's role in helping to achieve the millennium development goals. This is a hot topic, since the G8 summit will serve as an opportunity to assess the efforts that have been made to achieve the eight United Nations development goals by 2015.

Significant progress has been made with regard to some of these objectives to combat poverty, hunger and illness.

The number of new cases of HIV has decreased, and access to treatment has been improved.

Cases of tuberculosis are progressively decreasing, and malaria is claiming fewer victims as a result of the use of insecticide-treated nets. Education efforts have already yielded results.

• (1340)

The Canadian initiative on maternal, newborn and child health will help save even more lives.

However, these and other signs of progress are not equally present in all countries. If current trends persist, several countries will not achieve most of the millennium goals.

More must be done, but it is not enough to keep putting millions of dollars on the table. We have to encourage and support southern countries whose progress is slow when it comes to implementing stringent and mandatory measures that will effectively fight poverty in all its guises. We know that the southern countries that have made progress are the ones that have adopted comprehensive development strategies.

The millennium goals bring together most of the targets set during world summits in recent decades. These eight goals provide us with a solid framework so that we can put an end to the age of good intentions and paying lip service to development. Everything needed to take effective action is in place.

Canada has already done a lot through CIDA.

I believe that our country can focus on coordinated action to help the world escape the trap of extreme poverty, hunger and disease, which are the greatest challenges of our time.

Our country must play a strong leadership role, not only during the G8 summit, but also in September 2010 during the United Nations' review of the millennium goals. That meeting in New York will give Canada an opportunity to urge both rich and developing nations to increase our momentum so we can meet the 2015 deadline together.

The lives of billions hang in the balance, and on that, I completely agree with UN Secretary-General Ban Ki-moon:

If we fail [to fulfill the promise of the Millennium Declaration], the dangers in the world — instability, violence, epidemic diseases, environmental degradation, ... will all be multiplied.

[*English*]

## REPUBLIC OF BELARUS

**Hon. Doug Finley:** Honourable senators, I have had the great pleasure of meeting this week with a group of Belarusian officials from the United Civil Party, including the democratic opposition's candidate for president, Jaroslav Romanchuk, Party Chairman Anatoly Lebedko, International Secretary Andrei Dmitriev — whom I have met on several occasions now and consider a friend — and the Director of the Forward Movement Research and Education Establishment, Vladimir Neklyaev.

Several members of this delegation have been improperly and harshly imprisoned at various times for their political beliefs — some recently. We discussed at length the previous presidential elections — particularly those of 2006 — and, of course, the upcoming presidential election in Belarus in February.

I was reminded that in 2004, and here I quote a news agency:

United Civil Party leader Anatoly Lebedko was rushed to hospital suffering from a fractured skull, broken ribs and blood clots in his liver. "He was beaten severely, he was bleeding and in bad shape, but emergency medical personnel weren't allowed to treat him," United Civil Party deputy chairman Alexander Dobrovolsky told the AFP news agency.

Fortunately, Mr. Lebedko survived and was able to travel to Ottawa this week.

In 2006, the Belarus election campaign sparked outrage around the world, as many countries condemned the election as having been outrageously rigged. Opposition campaigners were assaulted, detained and even imprisoned, including 10 campaign managers — I can have real sympathy there — and over 100 activists.

The KGB, the security force for Belarus, labelled the opposition as terrorists seeking a violent revolution, as one of their many ways to intimidate voters. There were numerous other abuses of state authority to campaign for Mr. Lukashenko and restrict a free and fair election.

The opposition took to the streets following the “official result,” which gave Mr. Lukashenko over 80 per cent of the votes. Thousands gathered in Minsk calling for a free and fair election. This gathering led to many activists being beaten and thrown into jail. Members of the media were arrested for covering the protest, including a Canadian journalist from Quebec.

In a fair and reasoned response to the undemocratic election and the human rights violations, Canada condemned the election for failing to meet international standards. In addition to this condemnation, we placed Belarus on the Area Control List, which limits exports to Belarus. Currently, Belarus is one of only two countries on this list.

For the upcoming election, Canada must encourage a legitimate, free and fair election that complies with international standards. We are bound to ensure that opposition candidates and supporters are not restricted in campaigning by state officials. Belarusians must have a free and clear choice. It is our responsibility as one of the world’s great democracies not only to do what we can to ensure that Belarusians have this choice, but to send a clear message to all Belarusians that Canada stands clearly in favour of an open, fair and democratic process.

My hope is that, in cooperation with the Organization for Security and Co-operation in Europe, Canada can play an important role in ensuring that the election is a fair one. We have a strong history of helping ensure fair elections. A recent example was Canada’s supervision of the Ukrainian election, led by our esteemed colleague, Senator Andreychuk.

I ask that all honourable senators join me in supporting a free and democratic Belarus.

*Za svododu* — For freedom.

## ROUTINE PROCEEDINGS

### STUDY ON ORDER AMENDING SCHEDULE 2 OF CANADA NATIONAL MARINE CONSERVATION AREAS ACT

FIFTH REPORT OF ENERGY, THE ENVIRONMENT AND  
NATURAL RESOURCES COMMITTEE PRESENTED

**Hon. W. David Angus**, Chair of the Standing Senate Committee on Energy, the Environment and Natural Resources, presented the following report:

Wednesday, June 9, 2010

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

#### FIFTH REPORT

Your committee, to which was referred the Order Amending Schedule 2 to the *Canada National Marine Conservation Areas Act*, together with the Report to Parliament entitled “Gwaii Haanas National Marine Conservation Area Reserve and Haida Heritage Site”,

tabled in the Senate on Tuesday, June 8, 2010, has, in obedience to the order of reference of Tuesday, June 8, 2010, considered the same and now reports that it does not disapprove the Order.

Respectfully submitted,

W. DAVID ANGUS  
*Chair*

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

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

[*Translation*]

## OFFICIAL LANGUAGES ACT

### BILL TO AMEND—FIRST READING

**Hon. Maria Chaput** presented Bill S-220, An Act to amend the Official Languages Act (communications with and services to the public).

(Bill read first time.)

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

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

• (1350)

[*English*]

## JOBS AND ECONOMIC GROWTH BILL

### NOTICE OF MOTION TO INSTRUCT COMMITTEE TO DIVIDE BILL INTO FIVE BILLS

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

That it be an instruction to the committee to which Bill C-9, An Act to implement certain provisions of the budget tabled in Parliament on March 4, 2010 and other measures, is referred that it divide the bill into five bills, as follows, in order that it may report on them separately:

- A. Parts 1 (Amendments to the *Income Tax Act* and Related Acts and Regulations), 2 (Amendments in Respect of Excise Duties and Sales and Excise Taxes), 3 (Amendments in Respect of the Air Travellers Security Charge), 4 (*Softwood Lumber Products Export Charge Act, 2006*), 5 (*Customs Tariff*), 6 (*Federal-Provincial Fiscal Arrangements Act*), 7 (*Expenditure Restraint Act*), 22 (Payments to Certain Entities), and 24 (Employment Insurance Financing);

- B. Part 18 (Atomic Energy of Canada Limited);
- C. Parts 19 (Participant Funding Programs) and 20 (Environmental Assessment);
- D. Parts 8 (Amendments Relating to Certain Governmental Bodies), 11 (*Export Development Act*), 15 (*Canada Post Corporation Act*), and 23 (*Telecommunications Act*); and
- E. Parts 9 (*Pension Benefits Standards Act, 1985*), 10 (Agreement on Social Security Between Canada and the Republic of Poland — Retroactive Coming Into Force), 12 (Payment Card Networks), 13 (*Financial Consumer Agency of Canada Act*), 14 (*Proceeds of Crime (Money Laundering) and Terrorist Financing Act*), 16 (*Canada Deposit Insurance Corporation Act*), 17 (Federal Credit Unions), and 21 (*Canada Labour Code*).

she was the Minister of Health in Nunavut, put into place measures to provide maternal services for mothers in the North. As I pointed out, the delivery of the health care system, of course, is within the jurisdiction of provinces and territories.

Minister Aglukkaq is probably the best person that any government has ever had to understand the complexity of this problem. She took measures when she was a minister in the North, and obviously she would encourage her provincial and territorial counterparts to follow her lead.

[*Editor's Note: Senator Watt spoke in Inuktitut — translation follows.*]

**Senator Watt:** I have a supplementary question. In Inuit lands many people are not licensed as midwives yet are seen as professionals, especially in my province of Quebec, in Nunavut and in the Northwest Territories. In order to facilitate their mobility to work in those three Inuit territories, could their professionalism and licences be recognized nationally?

**Senator LeBreton:** I thank the honourable senator for the suggestion. As I said earlier, the delivery of health care is the responsibility of the provinces and territories. In the medical field, for doctors and nurses, for example, we have seen licensing requirements in some provinces that other provinces do not recognize. I am sure that is the same situation that we face with midwifery. I do acknowledge that this is a service that could provide necessary maternal health care and delivery of services for expectant mothers.

Again, I will simply ask Minister Aglukkaq, when she next meets with her provincial and territorial counterparts, to encourage them to cooperate as much as possible between each other in the North.

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## QUESTION PERIOD

### HEALTH

#### TRAINING AND HIRING OF MIDWIVES IN THE NORTH

[*Editor's Note: Senator Watt spoke in Inuktitut — translation follows.*]

**Hon. Charlie Watt:** Honourable senators, the Inuit have received international recognition for their excellent midwifery training and skills. In my province of Quebec, for example, they have achieved full professional status.

In view of this, why are we still airlifting healthy Inuit women to cities such as Montreal and Winnipeg to have their babies? It is unnecessary and traumatic for the mother because it removes her from family and cultural supports, and she is forced to receive health care in a second or even third language.

Midwives are a cost-effective, safe and culturally accepted option. What is the government doing to support the training and hiring of midwives in the North, and how can we find a way for Inuit midwives to work across the Inuit territories?

I would like the federal government to take this issue seriously and develop a proper national policy. As well, I would like to see that the Inuit have the opportunity and mobility to move from one Inuit territory to the next to administer midwifery, and not be restricted by the territories or provinces. Is the federal government prepared to do this?

**Hon. Marjory LeBreton (Leader of the Government):** I thank the honourable senator for the question. As honourable senators are well aware, the delivery of health care is a provincial and territorial responsibility. However, the Minister of Health, when

### PUBLIC SAFETY

#### SECURITY FOR G8 AND G20 SUMMITS

**Hon. James S. Cowan (Leader of the Opposition):** Honourable senators, Canadians were shocked last night to learn that a man had walked into a gardening co-op in Niagara and bought 1,500 kilograms of ammonium nitrate fertilizer. This apparently happened two weeks ago. The man told the staff at the co-op that he was buying the fertilizer for a well-known customer. When the staff of the store spoke to that customer, they learned that he had not sent anyone on his behalf to buy the product. I remind senators that 1,500 kilos is roughly one and a half times the amount used by Timothy McVeigh in Oklahoma City.

This government is spending approximately \$1 billion on security for the G8 and G20 summits, and it is spending hundreds of thousands of taxpayers' dollars on fake lakes, fake lighthouses and gazebos for the summit, but someone can walk into a store and buy more than a ton of potential explosives without any checks and without any clearance.

How can Canadians have confidence in a government that is clearly more interested in photo opportunities and appearances than in taking steps to ensure that Canadians and their visitors are kept safe?

**Hon. Marjory LeBreton (Leader of the Government):** I thank the honourable senator for the question. As we have acknowledged, that is precisely why the costs of security for the G8 and the G20 summits are high. It is not a cost that anyone wishes to spend, but we must. There is not a single, solitary security expert in the world who has criticized the government for the costs of the summit security.

• (1400)

With regard to this particular incident, it was reported within the last few days and I have no specific knowledge about it. This is a matter for the security officials and the RCMP. I am quite certain that the incident is being investigated fully.

This situation underscores why it is vitally important that every possible security measure be taken to ensure the safety of our guests. As I mentioned in an answer last week, we are talking about upwards of 10,000 people, far more than the number of athletes who attended the Olympics and a far greater security risk because of the world leaders who will attend.

The incident is of great concern, and it is all the more reason to have every possible security measure in place to ensure that world leaders, their delegations, and the members of the world media who are travelling with them are safe.

## AGRICULTURE AND FORESTRY

### RECOMMENDATIONS OF COMMITTEE FOR REGULATIONS ON PESTICIDES AND FERTILIZERS

**Hon. James S. Cowan (Leader of the Opposition):** Honourable senators, the leader will understand that I — and I am sure other Canadians — do not find her answer very reassuring.

In June 2008, the Standing Senate Committee on Agriculture and Forestry made the following recommendation, Recommendation 6:

That the government design and rapidly implement a program similar to the Marine Security Contribution Program that will provide the Canadian agricultural retail sector financial assistance to upgrade their security measures and safeguard fertilizer and pesticides from potential criminal misuse.

Why has the government not acted on this recommendation?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, Senator Cowan said that he is not satisfied with the answer. I believe, and I think we all believe that we have a top-notch security force in this country, the RCMP and our other security forces. I have full confidence that the matter is being fully investigated and that the security forces will get to the bottom of it.

Again, the situation simply underscores the absolute importance of taking every possible measure, expensive as they are, to provide the best security that we can for the world leaders who will come here for the back-to-back meetings, along with their delegations and other people who will be attending with them.

As I have pointed out, not a single, solitary security expert in the world has criticized our government and Canada for the costs of security for these two meetings. As John Kirton, the director of the University of Toronto's G8 Research Group, said:

If you want to be at the G8 table, you can't go to the washroom when the bill comes. . . . The cost for each of the two Canada summits are more or less within range of what G8 and even G20 meetings have been costing.

The expense is totally in line with the costs of other G8 and G20 summits. We have back-to-back meetings. We must take all the potential threats seriously. A few weeks ago, Senator Mercer talked about Halifax in 1995, but we all know the world has changed vastly since 1995.

**Senator Cowan:** All that was very interesting, but it had nothing whatsoever to do with the question I asked. I referred the leader to a recommendation in the 2008 report of the Standing Senate Committee on Agriculture and Forestry. I will read it again:

That the government design and rapidly implement a program similar to the Marine Security Contribution Program that will provide the Canadian agricultural retail sector financial assistance to upgrade their security measures and safeguard fertilizer and pesticides from potential criminal misuse.

My question was, and remains: Why has the government not acted on that recommendation?

While I am on my feet and before the minister answers, I would ask her to check, and I think she will find that the House of Commons Standing Committee on Agriculture and Agri-Food made a similar recommendation within the last few months. We now have both houses of Parliament calling on this government to take action, and the government once again has failed to do so.

**Senator LeBreton:** Honourable senators, as is the case with all recommendations of committees of both houses, the government does take them seriously. I would not make the assumption that actions have not been taken. These are delicate security measures. I will simply make inquiries to inform myself as to what the government has done to follow up on the recommendations of both these committees.

**Hon. Terry M. Mercer:** Honourable senators, my supplementary question is to the Leader of the Government in the Senate.

The report that the Standing Senate Committee on Agriculture and Forestry filed in 2008 was not written idly or casually; it was prepared after hearing from multiple witnesses who told us about their concerns with regard to the storage and distribution of ammonium nitrate in this country. They were concerned that we, as a country, might be exposed to what we hope is not happening in the instance of this rather large purchase. We all hope it turns out to be innocent in some way.

People from the farming, chemical and fertilizer industries appeared before the committee, chaired at the time by my good friend Senator Fairbairn. Witnesses told us this is a serious matter



that is happening not just in the Niagara Peninsula, where this most recent incident occurred, but also in Eastern Ontario, where large amounts of ammonium nitrate are being stored on farms, with no guarantee that it might not be taken by someone and used for other purposes.

We hope that nothing untoward happens during the summit, but I think that post-G8 we need to have a commitment from this government that it will act on the recommendation of the Standing Senate Committee on Agriculture and Forestry. As we can see, this lack of precaution could become a serious matter.

**Senator LeBreton:** Honourable senators, there is no question that this matter is serious. There is also no question that we have a very competent police force in this country.

I was just advised that there are rules and regulations in place. In this particular case, the individual at the company did not follow the proper rules and regulations. I am sure the RCMP and all of the police forces they cooperate with are working diligently on the matter, and I have great faith in their ability to get to the bottom of it.

I am sure that all of us would acknowledge that the RCMP and officials involved in the security of our visitors at the G8 and the G20 summits would have safety as their first priority. I think that would be rather obvious.

[Translation]

## INTERNATIONAL TRADE

### G8 AND G20 SUMMITS

**Hon. Céline Hervieux-Payette:** Honourable senators, my question has to do with the spending on security for Canadians during the G8 and G20 summits.

Every day brings a new list of items: \$1.9 million for an artificial lake; \$400,000 to restore a boat none of the delegates will board; a gazebo big enough for only half a dozen delegates; not to mention a \$23 million arena that could probably hold all the journalists in the world, but where none of the activities are due to take place.

I question all these expenses for the security and well-being of the Conservatives and their international guests. To protect the dignitaries against the nasty Northern Ontario mosquitoes that could transmit all sorts of diseases like West Nile virus, how many thousands of dollars has the government included in its budget, in the name of security, to buy screens or mosquito nets, spray repellent and ointment to treat bites while these guests are in Huntsville?

• (1410)

[English]

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, that is a typical question from the Liberals. Never let the facts get in the way of a pithy question. The fact is that the gazebo and the arena have little to do with the

G8 and the G20. They are part of the Economic Action Plan infrastructure programs and were built with the stimulus, which, by the way, has worked.

In fact, the cases that the honourable senator mentioned are all projects approved under the Economic Action Plan and were built with funds contributed equally by the Province of Ontario and the municipality in which the facilities are located. Senator Hervieux-Payette can run around the country, and the next thing we know, there will be a hockey rink built in Quebec that she will blame on the G8 and the G20.

With regard to the marketing pavilion, the honourable senator knows full well there is no such thing as a \$2 million lake. The marketing pavilion is where world media will be gathered, and it is no different than any other pavilion that has been built, whether it was at the Olympics or at the World's Fair in China. The pavilion itself cost \$2 million, and many of the features in it promote Canada. The actual cost of the so-called "lake" was \$57,000. Those are all expenditures to promote Canada.

We are interested in showcasing Canada and pointing out to the world what a wonderful country we are.

**Senator Mercer:** You could have showed them a real lake.

**Senator LeBreton:** Before the Olympics, there were complaints about the torch run, the security, our pavilion, and then we got a complaint that the pavilion was too cheap because it was pre-fabricated and temporary. Then, to the great disappointment of those on the other side, I am sure, the Olympics turned out to be a tremendous success, a great success story for Canada, in which we won a whole bunch of gold medals. The G8 and the G20 summits will be a great success as well.

**Senator Tkachuk:** How many arenas were built in Quebec?

**Senator Hervieux-Payette:** I have not seen any in my riding.

**An Hon. Senator:** How would you know?

**Senator Hervieux-Payette:** I go there every week.

The leader's government is claiming that its fake lake will cost only \$57,000. If we can at least clarify where the funding is being allocated, we will be making some progress. However, we must remember that the average Canadian income is only \$44,000, and this Conservative government day after day is clearly living on another planet, preaching fiscal restraint but spending more than the average Canadian earns per year, according to Statistics Canada.

Moreover, turning to Canada's Economic Action Plan that claims to invest in infrastructure and help Canadians find employment and stimulate the economy, I would like to know how many jobs the government has created in the fake lighthouse, the fake Canadian scenery and the fake lake.

Let me quote an editorial in *The Globe and Mail*:

Industry Minister Tony Clement may wish to view the lake as a "reflective pool" . . . but to many Canadians, it will be viewed as the perfect metaphor for the Harper government: shallow, artificial and costly.

When can Canadians expect the Prime Minister to show fiscal restraint and good governance when dealing with conferences as important as the G8 and G20, to stop thinking like Hollywood and acting from a script for movies or television, and to act in the interest of Canadians?

**Senator LeBreton:** Since the honourable senator is referring to newspaper articles, perhaps she could tell me whether the Liberal Party of Canada will take the advice of the lead editorial in the *National Post* this morning with regard to Pablo Rodriguez?

We all know that our job is to promote Canada, our tourism, industry and the country as a place to invest. This pavilion, which will have many visitors, will promote Canada, just as Expo 67 did, although we will not get into the costs of that event.

The honourable senator asked about jobs. According to Statistics Canada, 24,700 new jobs were created in May, the fifth straight month of job gains. Since last July, Canada has created almost 310,000 new jobs, and Statistics Canada has announced that Canada's economy grew 6.1 per cent in the first quarter of 2010, representing the strongest quarterly rate of economic growth in a decade. With numbers like that, as economists have said, Canada shines.

The fact is that this marketing pavilion will attract people to Canada. The whole pavilion cost \$2 million and the so-called lake cost \$57,000, which is still \$38 million less than the Liberals stole and gave to their friends in Quebec.

**Senator Hervieux-Payette:** Would the leader tell honourable senators if she is happy with the unemployment rate at 8.1 per cent? We have not seen that for many years.

**Senator LeBreton:** The honourable senator had better check her facts. During the 1990s, the unemployment rate never fell below 9 per cent, except for one year, 1999. Unemployment at 8.1 per cent is a high rate. Much of it is because of the worldwide economic downturn, but when Canada's debt to GDP ratio is compared to other countries' debt to GDP ratio, we are shown to be in the best position of any country in the world. That is why the main thrust and purpose of the summit is the continuing growth of the economy and jobs.

At the same time, since these world leaders will be in Canada, we want to showcase our country to get people to invest in our country, which will create more jobs. We are proud of our country.

**Hon. Joan Fraser:** Honourable senators, speaking of hockey rinks, the news media and all of the jaw-dropping stuff we have been learning about the spending, what has puzzled me the most was the report that the hockey rink being built for more than \$2 million is to be the media centre in Huntsville. The media centre could be in the local school, which can be rented for a couple of weeks, or even in an old barn or two if that is what the government wanted.

Would the leader please provide the Senate with whatever professional opinions were provided to the government, whether internally or by outside consultants, that suggested a hockey rink,

with small ice space and lots of seats rising around in stands, was an appropriate configuration for a media centre?

**Senator LeBreton:** Again, the Liberals never let the facts get in the way of a pithy question. The hockey rink is part of Canada's Economic Action Plan. It is being built like any other such project by provincial, federal and municipal money. If the town happens to put it to another use when they are not playing hockey, that is good for them.

• (1420)

[Translation]

## NATIONAL DEFENCE

### ACQUISITION OF FIGHTER JETS

**Hon. Francis Fox:** Honourable senators, my question is for the Leader of the Government in the Senate and concerns the protection and defence of our country in the longer term. All honourable senators acknowledge the importance of providing the Canadian Forces with the best possible equipment to carry out the missions entrusted to them by the Government of Canada.

Yesterday, the media reported that your government intends to use a sole source for what I believe is the largest contract ever, \$9 billion in this case, for the purchase of new fighter jets.

Can the leader confirm that the government's intention is to sole source this contract and tell us why is it awarding a contract without calls for tenders?

[English]

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, I will confirm that the government has committed to acquiring next generation fighter capability as part of the Canadian Forces Defence Strategy, which is well known. This fighter capability represents a key capability for the Canadian Forces. The honourable senator should check his facts because the government has not made any decision on this purchase.

[Translation]

**Senator Fox:** I want to thank the leader. Since no decision has been made yet, could the Leader of the Government make representations to her colleagues to ensure that the acquisition of these new planes — no one is disputing the need to replace the F-18s — is not done through advance contract award notices? It is true that this process allows other companies to indicate their interest for a few weeks and to prove that they can meet the selection criteria. This rarely happens since the government establishes specific criteria for a plane like this.

A 2007 report by Auditor General Sheila Fraser addressed this very thing. In the report, Ms. Fraser criticized the use of advance contract award notices to expedite the equipment acquisition process, saying that the practice was not competitive.

Can the leader assure us that, if equipment is purchased, it will be done through a call for tenders?

[ Senator Hervieux-Payette ]

[English]

**Senator LeBreton:** We want the best possible capability for the Canadian Air Force. I will be happy to pass on the honourable senator's concerns to my colleague.

[Translation]

**Senator Fox:** Since it seems quite clear that, one way or another, a contract will be awarded to replace fighter aircraft, can the Leader of the Government in the Senate assure us that there will be economic benefits for Canada?

I would like to remind her that her former cabinet colleague, Senator Fortier, responded to one of my questions in this chamber saying, and I am paraphrasing here: When we are purchasing military equipment, we will make sure that for every dollar paid to overseas manufacturers, there will be 100 cents of economic spinoff. That money will be invested in Canada's aerospace and defence sectors.

Can the leader verify with her colleagues that the same precautions will be taken when awarding this contract and that Canada's aerospace manufacturing communities, both military and civil, will benefit?

[English]

**Senator LeBreton:** I assure Senator Fox that I will pass on his comments to my colleague. I wish to point out that all decisions made by this government are always made in the best interests of Canada.

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## ORDERS OF THE DAY

### JOBS AND ECONOMIC GROWTH BILL

#### SECOND READING—DEBATE ADJOURNED

**Hon. Irving Gerstein** moved second reading of Bill C-9, An Act to implement certain provisions of the budget tabled in Parliament on March 4, 2010 and other measures.

He said: Honourable senators, I am truly honoured today to move second reading of such vital legislation as Bill C-9, the proposed jobs and economic growth act. Canadians should be proud of how our nation has responded to the current challenging economic times. Although Canada did not escape the recent global recession unscathed, we have weathered the storm far better than most other major developed economies, and we are emerging well ahead of the pack.

• (1430)

In the first quarter of this year, our gross domestic product grew by an astonishing 6.1 per cent, three times the average rate in the rest of the G7. The Organisation for Economic Co-operation and Development predicts 4.5 per cent growth in

Canada, twice the G7 average, in the second quarter, while the International Monetary Fund expects Canada's GDP to expand by 3.1 per cent in 2010 and 3.2 per cent in 2011. The Bank of Canada is even more optimistic, projecting growth of 3.7 per cent in 2010.

Canada's financial system has been described by the World Economic Forum as the most stable and efficient in the world. Our inflation and interest rates remain low; our currency is strong; our debt-to-GDP ratio is the envy of our major partners; and under this government our tax rates are becoming increasingly attractive.

Canada's success in weathering the global recession is attributable to a combination of sound economic fundamentals at the outset and a powerful policy response in the form of Canada's Economic Action Plan, which was unveiled in Budget 2009.

Bill C-10, in the last session of Parliament, implemented the first year of Canada's Economic Action Plan, and now Bill C-9, the jobs and economic growth bill, will implement the second and final year.

Budget 2010 will stimulate our economy for the short term while building our capacity for the long term. I will list some of the specific measures that will accomplish this goal.

More than \$19 billion in new stimulus money will be added under year 2 of Canada's Economic Action Plan, which, when added to the \$28 billion invested last year, creates a two-year federal stimulus investment of more than \$47 billion.

The budget also provides personal income tax relief of \$3.2 billion in the current fiscal year, through adjustment to federal tax brackets; enhancements to the Working Income Tax Benefit; higher child benefits for parents; and lower taxes for low- and middle-income seniors.

Budget 2010 also keeps Canada on track to achieve the lowest corporate income tax in the G7 by 2012, making Canada a country of choice for investment.

Bill C-9 creates an efficient and competitive market environment in which the private sector businesses that employ the vast majority of Canadians can prosper and grow. We do not want to restrain entrepreneurship with needless red tape. That is why Bill C-9 eliminates certain reporting requirements under the Income Tax Act that are viewed as excessively complex and onerous, both by investors and by the Advisory Panel on Canada's System of International Taxation. The elimination of reporting requirements for many investments by non-resident venture capital funds will improve the ability of Canadian businesses to attract foreign venture capital, fuelling job creation and economic growth.

Budget 2010 also takes the dramatic step of making Canada a tariff-free zone for industrial manufacturers, a first in the G20, by eliminating all remaining tariffs on manufacturing inputs, machinery and equipment. This measure will leave \$300 million in the hands of manufacturers, create an estimated 12,000 jobs,

diversify trade, and enhance Canadian productivity and innovation. A tariff-free zone will give manufacturers across Canada a significant competitive advantage in the global marketplace.

In addition to helping businesses, our government is looking out for consumers. We live in an increasingly complex financial world, full of investment and credit products whose characteristics and risks can be difficult to comprehend. Budget 2010 supports and protects Canadian consumers by prohibiting negative-option billing for financial products and services; bringing greater clarity to the calculation and disclosure of mortgage prepayment penalties; reducing the maximum period cheques can be held from seven days to four days, and requiring financial institutions to provide access to the first \$100 within 24 hours.

The Conservative government is serious about ensuring that our internationally-acclaimed financial system continues to deliver the highest possible standard of service to consumers.

Our Conservative government is also leaving more money in the pockets of Canadian parents, better enabling them to make the right choices for the care and development of their children. We believe parents, not the government, should decide how their children are cared for.

In 2006, our government introduced the Universal Child Care Benefit, which provides \$100 a month for every child under the age of six. Budget 2010 makes that benefit tax-free for single parents, ensuring they receive tax treatment comparable to that of single-earner two-parent families. This benefit means up to \$168 in tax relief for a single parent with one child under six. This measure will especially help women, who constitute the majority of single parents.

To help parents who live separately and share custody, the budget will also allow two eligible individuals to receive the Canada Child Tax Benefit, the Universal Child Care Benefit and the GST/HST credit amounts in a particular month or quarter.

We believe stronger families mean stronger communities and a stronger Canada.

Our Conservative government also believes sound stewardship of public funds is our solemn obligation to all Canadians. We will achieve this obligation in part by freezing departmental operating costs, including government salaries, administration and overhead.

Bill C-9 will freeze the salaries of the Prime Minister, cabinet ministers, members of Parliament and all senators — yes, even you, Senator Terry Mercer. In contrast to the previous government, which clung to its so-called entitlements while forcing taxpayers and other levels of government to tighten their belts, we will lead by example.

Most important, honourable senators, this Conservative government, unlike the previous government, will not transfer the burden of our fiscal challenges onto the backs of the provinces and Canadian taxpayers.

[ Senator Gerstein ]

Honourable senators, our Conservative government has not cut, is not cutting and will not cut transfers to the provinces or individuals.

The measures in Bill C-9 that I have described so far have been widely praised. There can be little doubt that these measures will move Canada's economy in the right direction. Indeed, although some senators opposite suggest that certain provisions should not be contained in this bill, there has been little substantive criticism of even those provisions.

**An Hon. Senator:** Stick around.

**Senator Gerstein:** The amendment to the Canada Post Corporation Act in Part 15 of Bill C-9 is a good example. Part 15 consists of a single brief and straightforward clause. It will allow companies to continue to ship letter mail in bulk to another country to be re-mailed to destinations outside Canada, something that was done freely for decades before the prevailing interpretation of Canada Post's exclusive privilege was recently challenged.

When asked about this provision in Bill C-9, the president of Canada Post recently told the Standing Senate Committee on National Finance:

It affects a tiny subsection of the mail, and I believe that we can compete vigorously and successfully for that subsection. Of the many challenges that face Canada Post, I do not consider remailers to be anywhere near the top 10 list.

This measure belongs in Bill C-9, the jobs and economic growth bill, for a simple reason: It is necessary in order to save Canadian jobs. A spokesman for the Canadian Printing Industries Association, representing over 7,200 printing establishments, employing over 65,000 Canadians, told the Finance Committee in the other place that if this provision is not passed:

No one is going to win: not Canada Post, not our small businesses, and not the Canadian economy.

• (1440)

Barry Sikora, a small businessman in the international mail industry for over 30 years, told the committee most forcefully that uncertainty over this issue has already forced him to lay off 14 of his 31 employees and, if this change to the Canada Post Act does not become law soon, he will go out of business entirely, leaving his remaining 17 employees out of work.

Honourable senators, this measure has been both studied and debated in Parliament before. This measure was supported by Member of Parliament Joe Volpe, then the Liberal Party's critic on the issue in the other place. This measure was even supported by the previous Liberal leader, Stéphane Dion, in a letter to the president of the Canadian Union of Postal Workers. Notwithstanding these facts, honourable senators, some senators want this one clause to become a separate bill. It just does not make sense.

The same can be said about Part 20 of Bill C-9. This part of the bill clarifies the process for determining what type of environmental assessment is required for a given project, and centralizes the authority and accountability for such assessments. It also entrenches in legislation exemptions that already exist in regulation for certain federally funded infrastructure projects.

In sum, Bill C-9 will ensure environmental assessments remain effective, while making them more efficient. This will improve coordination with the provinces on shared-cost projects and expedite the billions of dollars worth of federal infrastructure investments that are essential to year two of Canada's Economic Action Plan.

It is ironic, and I am sure honourable senators will recognize this, that any member of the official opposition would decry the inclusion of measures related to the environment in a budget bill. Honourable senators will remember that the Liberal Party's last budget bill dedicated two of its 24 parts to the Kyoto accord, enacted two new acts, amended five existing ones, and created a whole new Crown agency, despite having no intention whatsoever to actually meet the impossible and politically motivated Kyoto targets.

**An Hon. Senator:** Shame!

**Senator Gerstein:** It is also interesting that some honourable senators question the sheer physical size of Bill C-9, namely, 880 pages in length. However, as honourable senators know, more than half the pages in the bill are dedicated to a single initiative contained in Part 5, the removal of tariffs on manufacturing inputs to spur investment and growth in the manufacturing sector, to which I referred earlier.

I do not deny that Bill C-9 is a comprehensive bill, containing a multitude of important fiscal and economic measures. However, contrary to the cries of some honourable senators, the omnibus nature of budget legislation is hardly an invention of the current government.

Five years ago, the last budget implementation bill introduced by the previous Liberal government, Bill C-43 in the First Session of the Thirty-eighth Parliament, contained as many parts as the bill before us now. It amended dozens of existing acts and created a number of new ones. I have already referred to the fact that it created a new bureaucracy to administer the stillborn Kyoto accord. In addition, it instituted an unsustainable and discriminatory taxpayer-funded daycare system. It made sweeping changes to the governance and mandate of the Asia Pacific Foundation. It changed the mechanism for setting the rate of Employment Insurance premiums. In sum, it contained scores of controversial and unrelated measures, many of which had little or nothing to do with the finances of the nation.

Indeed, this was a favourite practice of the party opposite when they were in power. They used omnibus budget bills to facilitate the laying off of public servants; to overhaul provisions concerning the transportation of Western grain; to reduce and restructure transfers to the provinces; to change the title and stated purpose of the Canada Health Act; and to create the Canadian Air Transport Security Authority, the Millennium Scholarship Foundation and the Foundation for Innovation.

Honourable senators, the use of omnibus bills is not a new precedent. On the contrary, I would suggest to you that omnibus budget bills are, in fact, a parliamentary tradition, observed over the years by governments of both political stripes.

**Senator Mercer:** How far back do these traditions go?

**Senator Gerstein:** I am glad you asked, Senator Mercer, because I will tell you. Thank you for asking that question. For a practice to be truly regarded as a parliamentary tradition, perhaps we must establish that it predates the last government. Perhaps it must even predate the Chrétien, Mulroney, Trudeau, Pearson and Diefenbaker governments, all of which used omnibus bills. Perhaps it takes over a century for a genuine tradition to develop. Perhaps, honourable senators, a true parliamentary tradition must even be passed down to us from the Mother of Parliaments. Therefore, I am glad Senator Mercer asked.

**Senator Mercer:** I am here to help.

**Senator Gerstein:** It should not be surprising for us to learn that, in 1909, Herbert Henry Asquith's Liberal government in the United Kingdom introduced a famous finance act dubbed the "People's Budget." This omnibus budget bill was championed by the Chancellor of the Exchequer, none other than David Lloyd George, and his strong ally of the day, Board of Trade President Winston Churchill, a pair known by their contemporaries as the "terrible twins." Of course, this was before Churchill attained political maturity and joined the Conservative Party, but I digress.

This 1909 omnibus budget bill, the "People's Budget," in addition to financial matters, introduced radical social reforms, including old age pensions, and laid the foundations of the modern welfare state.

However, honourable senators, some might suggest that even a century does not a tradition make. Maybe, to be a real parliamentary tradition, omnibus budget bills must predate even Confederation.

So, we find that in 1859, Viscount Palmerston's Liberal government, with no less a gentleman than William Ewart Gladstone as Chancellor of the Exchequer, sought to abolish duties on paper. This was a highly controversial issue because the paper duties inflated the cost of publishing, thus hindering the dissemination of what were then regarded as radical working class ideas. A bill to abolish the duties on paper narrowly passed the House of Commons, but was rejected by the House of Lords. Therefore, the next year, Gladstone included it in an omnibus budget bill. This radical and transformational measure, a key factor in the development of the organized labour movement, was passed as part of the Finance Act of 1860.

• (1450)

Honourable senators, a century and a half should be long enough to establish any practice as tradition. Or is it? Our parliamentary system has a long and venerable history. Maybe we need to go back even further before we can declare that omnibus budget bills are a tradition in Westminster parliaments. Therefore, let me reach back another century for good measure.

Honourable senators, in 1763, 247 years ago, chapter 29 of the British Act in the third regnal year of King George III, was given the short title, “Price of Bread, etc.” — clearly a financial matter. However — and it should come as no surprise — it addressed a litany of topics, most entirely unrelated to the price of bread. This omnibus budget legislation included measures concerning bankruptcy rules, the legal status of Papists’ wills, Protestant lessees and poor-law settlements.

Honourable senators, if one is determined to oppose Bill C-9, one will have to produce a more credible and substantive argument than some specious appeal to parliamentary tradition. The omnibus nature of this budget bill conforms perfectly with Westminster traditions that predate Canada by over a century and that have been followed by governments of both political stripes in this country for years.

I recognize there also appears to be a tradition whereby the party in opposition perennially professes outrage over the omnibus nature of budget bills. I am not surprised to see that the current opposition is playing its customary role.

However, as I am sure all honourable senators realize, when all the sound and fury of the opposition is spent, there are only two possible outcomes. Either the Senate will pass Bill C-9, the jobs and economic growth bill, in its original form, or it will return the bill to the other place with amendments that would trigger a series of confidence votes and a strong possibility of an election that no one wants.

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

**Senator Gerstein:** It would be a great tragedy for all Canadians if the current Parliament and with it, the all-important second year of Canada’s Economic Action Plan, were to fall apart over such a quibble as whether certain measures belong in one bill or another. Therefore, I respectfully suggest that honourable senators opposite abandon this contrived tempest in a teapot — this talk of dismantling Bill C-9.

Naturally, the proper scrutiny of extensive budget bills such as Bill C-9 by the Senate and its National Finance Committee place tremendous demands on the time and energy of honourable senators. I do not deny that. However, since Confederation, the Senate of Canada has risen to every legislative challenge laid before it. I do not believe for an instant that this august institution’s capacity for sober second thought will be overwhelmed by the legislation before us today.

I completely agree with the Honourable Senator Murray, who recently declared that the measures contained in Bill C-9:

... ought to be — and must be in any self-respecting parliament — debated on their own merits and examined in committee with an attention commensurate with their importance and complexity.

However, the amount of attention given to any measure in this bill is entirely up to honourable senators. There is nothing in the nature of an omnibus bill that prevents any of us from fully

debating any provision contained therein. Evaluating the measures in Bill C-9 will be a lot of work, but it will be the same amount of work whether it takes the form of a single bill or several.

I cannot help but note that the previous Liberal government’s last omnibus budget bill — Bill C-43 in 2005, which I described earlier — was studied by the Standing Senate Committee on National Finance for only two meetings, with testimony from only one non-governmental witness, before being reported to the Senate without amendment. It was then promptly passed by the Senate itself.

**An Hon. Senator:** Where was the opposition then?

**Senator Gerstein:** I cite this as an example of an interesting precedent — not yet a tradition, but nevertheless, a practice of the former Liberal government.

I do not suggest that Bill C-9 should receive such short shrift. Indeed, it deserves much better. We, on the government side, stand ready to do whatever it takes to ensure that this vital legislation receives both the rigorous scrutiny and the timely passage it deserves.

To that end, I have placed before the Senate a motion to enable the Standing Senate Committee on National Finance to sit at any time it chooses and for as long as it wishes for the purpose of considering Bill C-9. I sincerely hope that motion, and the friendly amendment moved by Senator Day, will be adopted soon.

Conservative senators are prepared to study Bill C-9 in committee and debate it in this chamber for as many hours on as many days as necessary. The nation’s capital is beautiful in the summertime.

In sum, honourable senators, I recognize that Bill C-9, the jobs and economic growth bill, is a dauntingly comprehensive vision for Canada’s economic future, containing a great assortment of fiscal and economic measures.

The business of governing a modern state is simply too complicated and the various aspects of government policy too intertwined for legislation to be neatly parcelled out and categorized in discrete policy areas. No area of government activity has a wider effect, and thus conduces more to omnibus legislation, than budgetary policy. This is especially true when unprecedented upheavals in the global economy call for a comprehensive policy response, as is the present case.

However, I know the Liberal Party of Canada, with its talented Senate caucus, dedicated staff and vast resources, is equal to the task before us. No Conservative will stand in the way of a detailed review of this bill. On the contrary, we look forward to hearing the valuable contributions of senators opposite and witnesses from across Canada.

I urge all honourable senators to devote their utmost energy and attention to the study and passage of Bill C-9, the jobs and economic growth bill, just as every member of the government is devoted to keeping Canada’s economy and finances on track.

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

**Hon. Doug Finley:** Would the Honourable Senator Gerstein take a question?

**An Hon. Senator:** He wrote it.

**Senator Finley:** No, he did not.

**An Hon. Senator:** Yes, he did.

**Senator Gerstein:** I would be delighted.

**Senator Finley:** Honourable senators, there has been much discussion, as Senator Gerstein mentioned, about what should and should not be included in this particular bill. I wish to ask a brief, but multi-part question.

First, a motion in the House of Commons was put forward by the NDP to split Bill C-9. Did that motion pass?

Second, when the bill was before the House of Commons Finance Committee, were any amendments discussed?

Finally, the NDP put forward 62 amendments at report stage in the House of Commons to delete various clauses of the bill that, in their opinion, were not relative to the budgetary policy of the government. Were those amendments adopted, and how did Liberal MPs vote on the amendments?

**Senator Gerstein:** I thank the Honourable Senator Finley for the interesting question.

As I recall, there were several opportunities in the other place for the opposition to dismantle Bill C-9. However, the Liberals rejected that idea at every stage of the bill's passage. During second reading in the other place, the NDP put forward a motion to split Bill C-9. Thanks to Liberal MPs who stayed away during the vote, the motion was defeated.

• (1500)

When the bill was before the Standing Committee on Finance in the other place, no amendments were put forward or proposed by any member of Parliament from any party. However, the honourable senator is absolutely correct: At the report stage in the other place, the NDP put forward 62 appeals to remove various clauses from the bill. Liberal MPs voted with the government to defeat those motions and keep the bill intact.

**Hon. David Tkachuk:** Honourable senators, I want to ask a question, if I may.

**Senator Gerstein:** I would be pleased to hear it.

**Senator Mercer:** Just refer to number 2 on the list.

**Senator Tkachuk:** I want to ask about something the honourable senator did not mention, and that is the government's plan to eliminate the deficit. The Parliamentary Budget Officer offers a more pessimistic outlook than the government. He says the budget cannot be balanced by

spending restraint and economic growth alone. Even though I disagree with him, I think that approach is the absolutely right approach to balance the budget. I wonder if Senator Gerstein might address this issue.

**Senator Mercer:** Funny you should ask.

**Senator Gerstein:** Thank you, Senator Tkachuk. As a matter of fact, I am delighted the honourable senator was listening to every word in my speech and realized I inadvertently left out any reference to the issue of the deficit.

Many economists, and not only the Parliamentary Budget Officer, Kevin Page, disagree with the government's assumptions on how quickly our plan will eliminate the deficit. They could be right; we might be wrong. After all, we are Conservatives and therefore make conservative projections.

However, allow me to cite three examples from a single article in *The Windsor Star* from March 6, 2010, entitled "Economists applaud Flaherty budget." First, the article quotes Douglas Porter, the Deputy Chief Economist at BMO Capital Markets, as saying: "The deficit can actually improve faster than expected."

The article goes on to cite George Vasic, the Toronto-based strategist for UBS Securities Canada Inc., who raised his forecast for Canadian economic growth for this year to 3.2 per cent, well above the growth assumed by the government in its projections.

Finally, the article cites Sheryl King, the Toronto-based economist for Bank of America-Merrill Lynch, who believes Canada's economy will grow and its deficit will decrease much more rapidly than the government is predicting.

Sound fiscal management means eliminating the deficit without compromising essential services or imposing undue burdens on Canadian families and businesses. That is what we are doing.

Keep in mind, the honourable senator was here and he knows what has happened in other governments. By contrast, the previous Liberal government balanced the budget in all the wrong ways: They betrayed their promise to eliminate the Goods and Services Tax; overcharged workers and employers by \$60 billion in Employment Insurance premiums; slashed health care transfers to the provinces by a third; and they gutted funding for the safety and effectiveness of the Canadian military.

Canadians want and deserve a government that trims the fat without cutting to the bone; a government that generates revenues, not by squeezing families and businesses harder, but by helping them become more productive and prosperous; and a government that leads by example. Senator Tkachuk, that is the kind of government we are providing.

**Senator Mercer:** Next.

**Hon. Dennis Dawson:** Honourable senators, does the message event proposal that the honourable senator is reading from permit questions from the opposition?

**Senator Gerstein:** Actually, it does. I would not have gone on the whole rant about the historical background of omnibus budget bills if it had not been for Senator Mercer asking me question number 3.

**Senator Dawson:** In that case, I ask the honourable senator to come away from his script for a minute. Can he explain to me in his historic analysis how many times in the past that bills that had been refused as independent bills by the other place were brought back by including them in an omnibus bill?

I think this is the first time. There was a rejection of the postal bill and the Atomic Energy of Canada Limited bill. The bills were rejected in the other place by an independent process, and they were brought back in the budget proposal. How many times since 1784 has that happened, and how many times did the honourable senator witness it?

**Senator Gerstein:** I was thinking back to George III and the problems he had; he had several other distractions at the time. I love history; I try to keep a number of facts on hand.

That question is an interesting one and I will be happy to get back to the honourable senator regarding it.

**The Hon. the Speaker:** Is there continuing debate?

**Hon. Joseph A. Day:** Honourable senators, I am glad Senator Gerstein got all of that off his mind, so we can get on with the work at hand, which is second reading, in principle, of the budget implementation bill. I was not certain if that debate was happening in this chamber for the last half hour. I am pleased to hear that Senator Gerstein and his colleagues are prepared to do the job that must be done. We are all of an equal mind.

We are beginning second reading debate on principle of the bill. We are beginning that debate today because this house unanimously agreed to abridge our normal time, which is in the rules; normally, this debate would start tomorrow.

Today, we are starting the debate as an indication of our good faith. However, Senator Gerstein referred to so many historical points that, in order to do this reply to his debate justice, I must verify some of these facts he has provided. Therefore, honourable senators, I move the adjournment of the debate.

(On motion of Senator Day, debate adjourned.)

## THE ESTIMATES, 2010-11

### MAIN ESTIMATES—FOURTH REPORT OF NATIONAL FINANCE COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the fourth report (second interim) of the Standing Senate Committee on National Finance (*2010-2011 Estimates*), presented in the Senate on June 8, 2010.

**Hon. Joseph A. Day:** Honourable senators, I move the adoption of this report standing in my name.

**The Hon. the Speaker:** On debate.

**Senator Day:** Honourable senators, we are now beginning debate on the second interim report on the Main Estimates for this fiscal year. I will begin by thanking all the honourable senators who serve and have served on the National Finance Committee. We have had extensive meetings in relation to the Main Estimates, as will be apparent from this report filed yesterday.

We started with the President of the Treasury Board, the Honourable Stockwell Day, who provided us with his views on the Main Estimates. The Main Estimates are part of the fiscal cycle and honourable senators will all have them in their desks for quick reference. The Main Estimates deal with all the departments and agencies, and the requests that the departments and agencies of the government have in relation to expenditures for the coming year.

• (1510)

It is important for honourable senators to be aware that not all of the budget initiatives for this particular fiscal year, 2010-11, are reflected in these Main Estimates because the annual cycle requires that the Main Estimates be prepared before the budget is fully developed. As a result, honourable senators will be looking in the Main Estimates for some initiatives of the budget that are not there.

They come in supplementary estimates, and there are usually three of them. Supplementary Estimates (A) are before our committee at the present time. Both Supplementary Estimates (A) and the main supply from these Main Estimates must be passed by the end of this fiscal period, which is the end of this month. Therefore, these measures would have priority from a government point of view. We in the Standing Senate Committee on National Finance are working diligently in cooperation with our colleagues on the government side to deal with these particular matters.

Honourable senators, Main Estimates were made available to us in early March. We have to provide the government with some funding at the beginning of the new fiscal year, which starts April 1. We do not have time, therefore, to fully study these particular estimates, which are quite extensive, as you will see. They are almost as large as Bill C-9.

Therefore, we begin with an interim supply and an interim order. Earlier, honourable senators received the first interim order of our committee, which outlines the cycle and the process and indicates that, in these Main Estimates for this fiscal year, \$96.3 billion are to be voted. You are being asked to vote and approve government expenditures of \$96.3 billion. That is up from \$85.7 billion last year.

In addition to the voted expenditures, there are statutory expenditures that we have approved in other pieces of legislation, making the total expenditures for this fiscal year — just so honourable senators have it in their minds — in the Main Estimates, which come before the supplementary estimates, \$278 billion, as compared to \$248 billion from the year previous.



Honourable senators, that was in your first interim report. I expect that we will be receiving, somewhere around June 23, the supply bill that goes with this report.

Our process and procedure here is that we study the estimates and generate a report based on our study, which forms the basis for the supply bill when it is received. When the supply bill comes to us on June 23, to be passed before June 30, we have already studied the subject matter of that particular bill. If honourable senators see fit to adopt this report, then the subject matter of the supply bill will already have been adopted by this chamber.

As you might guess, as a result of all the meetings with representatives of the Treasury Board Secretariat, we have developed a very good rapport. I want to put on the record that Mr. Alister Smith and Mr. Brian Pagan, two members of Treasury Board Secretariat who have been before our committee on many occasions, have done a very good job in not only answering the questions but in researching and providing us with answers when they did not have the information before them. Each of those individuals is moving on to other positions. Mr. Alister Smith is staying within Treasury Board in another position and Mr. Brian Pagan is moving over to the Department of Fisheries and Oceans. On honourable senators' behalf, I would like to thank the two of them for the job they have done in helping our Standing Senate Committee on National Finance do the job that we believe must be done in order to hold the government to account.

Honourable senators, the approach that we normally take with respect to this extensive estimate document is to study a number of departments or agencies, typically departments or agencies that are asking for a fairly large amount of money. If we had studied one of those departments — such as National Defence — just recently, we might not choose to study that department again.

I will say a bit about the particular areas that we decided to concentrate on in the 12 meetings that have taken place in our committee thus far this year. I say “thus far” because we are charged with studying these Main Estimates throughout the year, and we will file a final report in March 2011. To give you a bit of flavour for what we discuss, I will talk briefly about several of those areas, including transfers to the provinces, the Public Service Commission, the Community Futures program, the Auditor General, Canada Post, AECL and the CBC.

The transfer to the provinces is the first area I would like to talk to honourable senators about. Our initial information was that the transfer to the provinces — such as health transfers, social transfers and equalization — was \$1.7 billion less than last year. We had that clarified for us when Treasury Board and Department of Finance personnel were before us. They indicated that the \$1.7 billion difference was as a result of last year's Main Estimates being \$1.7 billion more than, in fact, was transferred last year. The budget had one figure and the Main Estimates had another last year, and we were comparing Main Estimates over Main Estimates.

In fact, there was not a reduction over what will be dispersed to the provinces this year, but there was a reduction last year over what was promised and what was disbursed. That is where the \$1.7 billion discrepancy arose.

It is interesting to look at the figures over a number of years. In 2006-07, total transfers to the provinces were \$11.5 billion and are up to \$14.3 billion in this fiscal year. Saskatchewan, in 2006-07, was a significant recipient but is no longer. British Columbia was a significant recipient in 2006 but is no longer.

In 2006, 2007 and 2008, Ontario was not a significant recipient but is now. In fact, in 2010-11, \$972 million will be transferred to the Province of Ontario.

Newfoundland and Labrador, in the first two years of this analysis of five years, was a significant recipient of transfer funds. In the last three years, it is no longer a recipient of transfer funds.

The only other point I wanted to make is that some honourable senators believe that it is the non-receiving provinces that transfer funds to the receiving provinces. That is not the case, and that was made clear by officials from the Department of Finance who were before us. This is entirely a federal government program. According to the formula, whatever funds are transferred to the various provinces are transferred from the federal government funds and not from the non-receiving provinces.

• (1520)

Honourable senators, a second item is the Public Service Commission. The Public Service Commission is chaired by Maria Barrados, who has been in this position for a good number of years. Her mandate is about to expire. She has approximately a year to go. She has done a wonderful job in keeping us informed about the civil service, the public service and the various programs in place.

A number of years ago, we passed a piece of legislation that was called Public Service Modernization that provided for the Public Service Commission, which is the normal hiring body of all new entrants into the public service, to delegate that power to the various managers and the various deputy ministers and require them to be accounting officers. I know His Honour is familiar with that term. When he was Chair of the Standing Senate Committee on National Finance, the committee looked into that term extensively.

The role now of the Public Service Commission is to monitor and audit what takes place in terms of hiring to ensure the rules are followed. Maria Barrados explains to us in her report that role is her primary mandate. She can withdraw the delegated power if it is abused or not properly handled by smaller agencies. She can also provide services to some of those smaller agencies that do not want to hire support services that are necessary to meet all the rules. She can provide that service for a fee. She generates funds for her department that way.

The total budget for the Public Service Commission is \$99 million. That budget is up from \$91 million last year but, as Ms. Barrados explained, that increase is primarily a result of the public service resourcing system. The computer-generated system is used to help in hiring and will allow for Canada-wide hiring, which is something that Senator Ringuette has been pursuing doggedly for a good number of years. Canada-wide hiring appears to be coming into place.

However, we learned that there are always glitches, and if someone wants to go around the rules, there are ways to do so. It is the job of the overseer, the Public Service Commission and Maria Barrados, to find out what is being done that will result in a less-than-ideal public service.

She indicated two things to us. One is the use of contractors and the other is the use of casual employees. She was concerned about those two situations. She said there is a time when contractors are appropriate, such as a one-off specialized activity that does not take place a lot. If there is a repetitive type of activity, then the contractor option should not be used. We should go for merit and follow all the rules set up to make our public service reflective of Canadian society in all its senses. Ms. Barrados follows that principle closely.

She says there is too much tendency to come into the public service on a casual contract, which is for 90 days, and for which there is no merit criteria. One of the primary rules with respect to hiring is that merit must be met, but they use the casual classification to get around that. Then they hire on the basis of term employment, and still there is no merit. Then when they go for the final test to see if the person will be hired, what happens is that person who has had all those breaks is hired.

**The Hon. the Speaker *pro tempore*:** I regret to inform Senator Day that his time has expired. Is he asking for more time?

**Senator Day:** I will ask for five more minutes.

Maria Barrados points out that activity is totally unacceptable, and she is watching to ensure that it does not take place.

Honourable senators, with respect to the comment, “You never did that,” I take that to mean that the political party with which I am affiliated never did that. As the Chair of the Standing Senate Committee on National Finance, I take seriously my role of trying to be balanced and trying to have a committee that functions in a reasonable manner in the best interests of Parliament and all Canadians. Honourable senators, I will not stand up here and make a political speech on items that I believe are critically important for all of us to understand.

The Community Futures Program, honourable senators, is a worthwhile program. I invite honourable senators to look at this program. It is run by the development agencies across the country. This program is a bit arm’s length from the government which, in my view, is desirable. It seems to work nicely. This year, they will spend \$85 million in 273 community futures organizations. Their mandate is to look after small communities and small- and medium-sized businesses. I think the program that has been operating now for about 11 years is commendable.

The Auditor General is another officer of Parliament who will retire and leave us in the next year or so. Honourable senators will know how much she has helped us as parliamentarians as an officer of Parliament — not an officer of the Canadian public, not an officer of the media; an officer of Parliament. She is there to help parliamentarians to hold the government, the executive, to account. That is her role and function, which is well defined. We provide to her a budget of over \$80 million a year to hold the government to account, and she has over 635 people working

for her. Half of them do what we typically think of as a financial audit that a chartered accountant or a certified general accountant would do. The other half of her staff apply what is called a performance audit, a value-for-money audit. This type of audit looks at how the money is spent and the value to the public. There is a real danger, when they start looking at value for money, of moving into the policy side of things.

We had an extensive discussion on that issue, and the discussion is reflected in our report.

I want to talk to honourable senators about Canada Post. The third person I will talk about today, who will not be with us much longer, is Moya Greene. She has done a wonderful job as president and chief executive officer of Canada Post. She has been hired by the Royal Mail to be their president and CEO, having done such a fine job in straightening out the Canadian situation.

There are a number of important points in this report, but I draw attention to the fact that she indicates that Canada Post needs diversity. She sees Canada Post moving into a completely different area over the next while from where it is now, and that certain banking aspects could well become an important aspect of their business over the years. We may not even recognize Canada Post in the future.

Atomic Energy of Canada we will deal with again during Bill C-9, but we had good discussion here. I commend honourable senators to review this AECL report.

Honourable senators, these items are the main features of this particular report. I hope that honourable senators will take the opportunity to review the various reflections of our committee and, in due course, hopefully before we receive the supply bill that relates to this report, this chamber will adopt this particular report.

• (1530)

**Hon. Lowell Murray:** Honourable senators, we have had some good meetings of the National Finance Committee in recent months. I have learned a lot from the excellent witnesses who have been brought before us and from discussion among members of the committee. All this is very much to the credit of the chairman and his colleagues on the steering committee, as well as to the research staff and the clerks, and I acknowledge at once my debt, I think our debt, to them for their leadership. One or two matters have arisen in the course of our deliberations that I want to touch on briefly.

The first is the rescue of General Motors by the governments of the United States, Canada and Ontario. I spoke about this matter almost exactly a year ago, on June 16, 2009. Honourable senators will recall that the federal government put in C\$7.1 billion, of which \$1.5 billion is a loan, and the balance for the purchase of 11.7 per cent of the common shares of General Motors.

When I spoke on this matter in June 2009, I expressed some concern about one aspect. My concern was the apparent agreement by the governments concerned to dispose of their shares on a fixed schedule, a minimum of 5 per cent per year, with a minimum of 30 per cent of the shares to be disposed of within

three years and a minimum of 65 per cent of the shares to be disposed of within five years at whatever the market would pay. I have been trying to follow up on this arrangement for the past year, with somewhat indifferent success.

At the time, Prime Minister Harper said that the government would sell its shares when the price is right, but then officials — anonymous, as always — came into the picture and said this would be done within eight years of GM's initial public share offering, which is scheduled to take place next month, although I think it may have been put off.

At the time, there was another piece from Bloomberg saying that the government will sell at least 5 per cent of the shares every year and will have sold at least 65 per cent by the end of the sixth year following the IPO, said the Canadian government official who spoke to reporters on condition of anonymity.

As I say, I could not seem to get any confirmation of that. I tried to read through the stockholder agreements and other related documents, which is pretty heavy going for a layman, and I could find no trace of this commitment to get rid of our shares on this fixed schedule. I was not able to get too much information at the committee, mainly because the witnesses we had did not come from agencies that are directly involved or responsible for this investment in GM. Eventually, however, Export Development Canada agreed to go to Industry Canada to try to get the answer. On May 18 I received, as we all did, a note from EDC quoting Industry Canada as saying:

We are not looking to be GM shareholders in the long term. We expect to reduce our ownership in GM as quickly as is appropriate. . . .The federal government won't sell the shares at a time which is prejudicial to the value of those shares for the taxpayer.

If this is the final word, then it is good news. My concern always was that we were on a fixed schedule to sell the shares, whereas it seemed to me to be more in the interests of the Canadian taxpayer to unload the shares when the government can recoup its money or even make a profit on them.

I was not at the committee on June 2. I was unavoidably absent, travelling with the Senate Fisheries Committee in Nova Scotia last week. However, Senator Callbeck asked some questions of Treasury Board officials on these matters, which I would like to flag.

When Senator Callbeck asked whether General Motors had paid back all their loans, Mr. Brian Pagan from Treasury Board said:

As I understand the media reports, General Motors has paid back a portion or all of specific loans, but there were other transactions with the government, including the exercise of an ownership stake.

I do not know whether that is exactly what the President of General Motors Canada has been saying in those television advertisements recently, to the effect that they have paid everything back with interest. However, if there is any conflict between what the Treasury Board is saying and what he said, I would like to know that at some point.

Mr. Pagan then went on to say something that I want to flag for honourable senators:

Any further questions related to these specific transactions are not something Treasury Board has access to. The transactions are not presented to or approved by Treasury Board. They involve the Minister of International Trade and the Minister of Finance. We have to direct any specific questions on transactions either to EDC or the appropriate ministers.

That says to me, honourable senators, that we ought to take another look — I think we have done it at some time in the past — into the operations of the so-called Canada Account, which I think is in fairly good financial shape, from what the government says. I think we want to look at the process by which the Canada Account is used. I am trying to refresh my memory, but I get the impression that it is a matter of a couple of ministers going to cabinet and getting it done, and there is not much by way of due process involving Treasury Board or other departments. We shall see.

The second matter that I wish to raise was touched on by the chair of the committee a few minutes ago, and it concerns the Public Service Commission. I was at the committee meeting on April 13 when Maria Barrados, President of the Public Service Commission, appeared.

I think dialogue between the Senate and the Public Service Commission is really quite vital. Some years ago, I actually argued that the Public Service Commission is one of those institutions that the Senate should "adopt" as our own for oversight purposes, to support the values of a non-partisan and competent public service and to ensure its relevance in the future, that it has the tools it needs to serve Canada and Canada's government as it should.

This raises a question that has been much in the news lately and that I want to touch on, the relationship between the political authority in this country, namely the federal cabinet, and the public service.

I agree completely that it is ministers who must be responsible to Parliament, and even senior public servants do not answer for policies that are developed by their political masters. In fact, I have been able to contain my enthusiasm for the so-called accounting officer concept that was mentioned by my friend and that our present deputy speaker knows much about. I recognize there are some advantages to it, but to the extent that it dilutes the principle of ministerial responsibility, I wonder about it. As a matter of fact, my perhaps offhand view is that the idea of an accounting officer was and is a solution in search of a problem.

The Senate's relationship with deputy ministers and senior public servants has been as close to ideal as you could get. I must say I cannot recall, in my observation or experience, any case in which senators try to embroil public servants in political discussion. Yet in committees, we are able to obtain from senior public servants masses of information and background that is absolutely vital to us in our consideration of public policy and legislation. Our relationship with the senior public service is very good.

• (1540)

I agree completely in principle with the government that ministers, not political staff, must answer to Parliament. I would apply this even to the case that seems to have caused the present controversy in which a political aide is said to have interfered with a public servant who was in the process of releasing documents under the Access to Information Act. The House of Commons committee wants to summon that assistant before the committee. The government replies that it is the minister who will attend. I think that is probably right. The minister should appear, and the first question should be: "Was your aide acting under your instructions?" If the answer to that question is yes, then let the minister defend the instructions that he gave. If the answer to the question is no, then the next question, to which the answer must be obvious, should be: "Was the aide acting beyond his responsibility?" If so, then we have another issue.

While I believe that we must always protect this doctrine of ministerial responsibility, another issue has come up that is too prevalent and too frequent for me to discount the many reports one hears to the effect that ministerial assistants around here are trying to throw their weight around excessively and brutally in their relationships with the public service, giving orders where they have no authority to do so.

I have been a ministerial assistant and I have been a minister, so I think I know a little bit about these matters. The political staffs of ministers' offices have no authority and ministerial authority cannot be properly delegated to them. That is my view.

The job of ministerial staff is to advise the minister; to manage the minister's time; to ensure that the minister has good relations with his caucus and with parliamentarians generally; to ensure that the minister has time and a proper relationship with his constituents; to ensure that the minister has decent relations with the media, if possible, and with other ministers' offices; and to ensure that there is time and opportunity for the public servants, who are responsible to the minister and the department, to have access to the minister, to brief the minister and to obtain whatever political direction the minister wants to give them.

It is a mystery to me why public servants, when they are confronted by a political aide purporting to give them directions, should not tell the political aide to get lost. I must say that is what would have happened to me and to many others here who have had this experience. The public servant would have asked to have the minister call them personally, or send them a written instruction, if there was any doubt.

My point is that something has to be done to rein in the activities of political assistants around this town before the whole relationship between the political authority and the public service becomes poisoned.

This raises a final question: Who is standing up for the public service? Is it the Clerk of the Privy Council? I do not know. The Clerk of the Privy Council is said to be secretary to the cabinet, head of the public service — a title that goes back at least to the Mulroney years and a role that perhaps goes back further — and deputy minister to the Prime Minister.

[ Senator Murray ]

Honourable senators, these roles inevitably come into conflict. The deputy minister to a prime minister should be his principal secretary. A clerk of the Privy Council should not have that role. Anyway, the roles inevitably come into conflict. It does not work. It is not working, and it needs to be revisited.

**The Hon. the Speaker *pro tempore*:** Senator Murray, are you asking for more time?

**Senator Murray:** Does an honourable senator want to ask a question? I will take a question, and I will answer it.

**The Hon. the Speaker *pro tempore*:** Five more minutes, Senator Murray.

[*Translation*]

**Hon. Rose-Marie Losier-Cool:** I would have liked to ask the committee chair this question, but since there is not enough time, I will ask Senator Murray, a hard-working member and former chair of that committee, if he will oblige.

**Senator Murray:** Yes.

**Senator Losier-Cool:** We have talked about various programs, including the Public Service Commission of Canada and the Community Futures Program. In the deliberations of the Standing Senate Committee on National Finance, is anyone asking questions about the impact of these programs as they are offered to linguistic minority communities? Do those communities have any presence in the Finance Committee discussions?

**Senator Murray:** It is difficult to answer that question. Having sat on the Official Languages Committee, I very clearly remember the questions asked of witnesses from various government departments and agencies regarding the fate of those minority communities, but I have no specific memory of what these and other agencies were asked when they appeared before the Finance Committee in recent weeks.

**Senator Losier-Cool:** Would that committee have been in a position to see how much of the budget is dedicated to programs that will enhance the vitality of these minority communities? Would that not have been the appropriate place to do so?

**Senator Murray:** Everyone has the opportunity to ask these questions in order to get to the bottom of things. For instance, Senator Nancy Ruth often asks questions about the percentage of spending allocated to women. So why could we not ask the same question regarding linguistic minority communities? I thank the honourable senator for reminding us of our duty.

[*English*]

**Hon. Anne C. Cools:** Honourable senators, I thank Senator Murray for his remarks. They are extremely valuable. I also thank Senator Murray for raising this whole question of the Prime Minister's relationship to the public service. He said that a clerk of the Privy Council is simultaneously a deputy minister to the Prime Minister. Yes, that is so, but it is an extremely complex matter that has grown even more complex. In modern times, prime ministers no longer seem to have portfolios or to be ministers of a particular ministry.

Could Senator Murray tell us what the Prime Minister is a minister of? I refer to the current Prime Minister of Canada. What is he minister of? A prime minister is the first minister, but what is he minister of?

**An Hon. Senator:** The G8.

**Senator Murray:** My honourable friend would know the answer to the question that she has asked.

**Senator Cools:** Does the honourable senator know?

**An Hon. Senator:** He is the Prime Minister of Canada.

• (1550)

**Senator Murray:** The Prime Minister is the person who has been commissioned by the Governor General to form a government, and he or she is, in the old Latin phrase, *primus inter pares*.

**Senator Cools:** Honourable senators, I am aware of that. However, in the olden days, the prime minister used to be chosen from among the ministers. For example, after Confederation, Sir John A. Macdonald was Prime Minister and Attorney General. Historically, prime ministers would keep certain ministries for themselves; finance used to be a favourite one. This seems to have fallen into nowhere. Unless the Prime Minister is the “Minister of Everything,” does anyone know what the Prime Minister is minister of, because I cannot find out.

**Senator Murray:** He is the First Minister of Her Majesty’s Canadian government. He does not have to have a department under him. The honourable senator has correctly pointed out that various prime ministers have held other portfolios, President of the Privy Council being one. Mr. Diefenbaker was his own foreign minister for a while; R.B. Bennett was his own finance minister, and so forth, but it is not necessary that they have a department of government, as such. The Privy Council Office, while sometimes referred to as the prime minister’s department, is not. It is there to serve the entire cabinet.

**The Hon. the Speaker pro tempore:** Further debate? Senator Murray, your time is expired.

(On motion of Senator Ringuette, debate adjourned.)

[Translation]

## BANKRUPTCY AND INSOLVENCY ACT

### BILL TO AMEND—SECOND READING— ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Ringuette, seconded by the Honourable Senator Tardif, for the second reading of Bill S-214, An Act to amend the Bankruptcy and Insolvency Act and other Acts (unfunded pension plan liabilities).

**Hon. Pierrette Ringuette:** Honourable senators, I would like to know if Senator Comeau could indicate when he intends to speak to this bill.

**Hon. Gerald J. Comeau (Deputy Leader of the Government):** Honourable senators, I intend to do so later this week, probably.

(Order stands.)

[English]

## CONFLICT OF INTEREST ACT

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

On the Order:

Resuming debate on the motion of the Honourable Senator Day, seconded by the Honourable Senator Losier-Cool, for the second reading of Bill S-208, An Act to amend the Conflict of Interest Act (gifts).

**Hon. Joseph A. Day:** Honourable senators, this motion is getting precariously close to the precipice. I am interested in explaining and proceeding with it, but I have been somewhat preoccupied with other matters in the last while. Would honourable senators agree to allow me the time to restart the clock?

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

(On motion of Senator Day, debate adjourned.)

## WORLD AUTISM AWARENESS DAY BILL

### SIXTH REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the sixth report of the Standing Senate Committee on Social Affairs, Science and Technology (Bill S-211, An Act respecting World Autism Awareness Day, with amendments), presented in the Senate on June 8, 2010.

**Hon. Kelvin Kenneth Ogilvie** moved the adoption of the report.

He said: Honourable senators, as you will recall, this bill, as per its title, is a bill to enact a day in recognition of World Autism Awareness Day. It came before our committee, where the bill and the concept were well received by the committee. Four amendments were made to the preamble of the document that had to do, in one case, with a change of language and, in three cases, the deletion of specific language in the report.

**Hon. Jim Munson:** Honourable senators, I wish to take the adjournment of this debate. We have about three minutes remaining before the Senate must adjourn, and I will speak a lot longer than three minutes.

(On motion of Senator Munson, debate adjourned.)

**NATIONAL PHILANTHROPY DAY BILL**  
SEVENTH REPORT OF SOCIAL AFFAIRS, SCIENCE  
AND TECHNOLOGY COMMITTEE ADOPTED

The Senate proceeded to consideration of the seventh report of the Standing Senate Committee on Social Affairs, Science and Technology (Bill S-203, An Act respecting a National Philanthropy Day, with amendments), presented in the Senate on June 8, 2010.

**Hon. Kelvin Kenneth Ogilvie** moved the adoption of the report.

He said: Honourable senators, this bill also was considered by our committee. It was considered favourably. There were two amendments. One was simply to change the spelling of a word in the French language translation to conform to the gender; the second was to delete a clause that had been made redundant, namely, one that called for the minister to declare such a day. The minister has already done so. That clause was redundant. Therefore, these were necessary amendments, and the bill was fully supported by the committee, as amended.

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

**Some Hon. Senators:** Agreed.

[*Translation*]

**Hon. Fernand Robichaud:** Honourable senators, this chamber already passed this bill during a previous session. We had therefore agreed to refer it to committee, then pass it at third reading and send it to the House of Commons.

The bill was already in the House of Commons. Does the fact that it has been amended not mean that it will go to the bottom of the House of Commons order of precedence?

**Senator Ogilvie:** That may happen. However, these amendments are absolutely necessary for the reasons I explained.

**Senator Robichaud:** Honourable senators, Senator Ogilvie indicated that these amendments were absolutely necessary, but he did not explain why they were absolutely necessary.

[*English*]

**Senator Ogilvie:** Perhaps I was not clear enough in the other official language, so I will try in my first language.

Regarding these two amendments, as indicated, one had to do with a necessary correction of the spelling in the French language; the second was to remove a clause that is now redundant and, therefore, not generic to the primary bill.

**An Hon. Senator:** Question!

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

(Motion agreed to and report adopted.)

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

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

(The Senate adjourned until Thursday, June 10, 2010, at 1:30 p.m.)

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