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(HANSARD)

Wednesday, February 29, 2012

The Honourable NOËL A. KINSELLA
Speaker

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

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THE SENATE

Wednesday, February 29, 2012

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

Prayers.

SENATORS' STATEMENTS

NUTRITION

Hon. Nicole Eaton: Honourable senators, government intervention in personal nutrition and food choices has been the subject of heated debate for years. I strongly disagree that the government should dictate what we put in our mouths. Canadians have a responsibility to choose what they eat, and they must take initiative to educate themselves on the health consequences that go along with their choices.

Rather than imposing regulations, our government has been working very closely with the food and beverage industry to voluntarily reduce such additives as trans fats, salt and sugar. To assist consumers in making informed food choices, our government made nutrition labelling for most prepackaged foods mandatory in 2007, and our government has gone much further in educating Canadians to make healthier lifestyle decisions.

Today, the Health Canada website goes beyond Canada's Food Guide. There are details of the ingredients in most foods, including fast foods and brand-name prepared foods. It is extremely simple to determine levels of all fats, salt, sugar and calories. There are recommended daily calorie guides, as well as portion sizes. There are user-friendly interactive tools to assist in calculating nutrients, designing menus and tracking consumption.

The industry has followed suit. Almost all fast food restaurants publish nutrition charts on their websites for the menu choices they offer. Grocery shelves stock numerous products that are lower in fat, lower in sodium, lower in sugar and lower in calories. Still, there is the elephant in the room — or should I say on the plate: portion size — one that we can control.

Toronto's St. Michael's Hospital recently reviewed 40 published studies on whether sugar is one of the culprits in the obesity epidemic. They found that sugar had no effect on weight compared with diets that provided the same calories from other carbohydrates. So what is the culprit? Surprise, surprise! We are back to the elephant! It is portion size. It is as simple as the amount of calories we eat. Over-consumption is the guilty party.

The portion size for salad is a small plate, not a huge bowl soaked in fat-filled toppings and dressing. A portion of protein is four ounces — not a 12-ounce steak, half a chicken or a triple burger with cheese and bacon. Potatoes are not bad for you, but when the potato weighs as much as an entire squash, it poses a problem. What about those gigantic muffins that probably contain two meals' worth of calories and an entire day's recommended consumption of sugar, fat and carbohydrates? You get the idea.

The damaging effects of poor nutrition, supersized portions and lack of exercise are everywhere — in ads, on websites, in health-related articles and in books and magazines. I agree the government should educate, recommend and provide helpful tools, but it should never assume responsibility for behaviour. Canadians must take their lives into their own hands when it comes to their health and the health of their families.

THIRTY-FIRST ANNUAL COAL BOWL CLASSIC NATIONAL BASKETBALL TOURNAMENT

Hon. Terry M. Mercer: Honourable senators, earlier this month, the Thirty-first Annual Coal Bowl Classic National Basketball Tournament was held in Breton Education Centre at New Waterford, Cape Breton, Nova Scotia. From January 28 to February 4, 10 young men's teams from across the country slept, ate and played basketball at the junior/senior high school in the former coal mining town of New Waterford.

As in previous years, volunteers and donors from across the Island and the province worked hard to ensure that the tournament was a complete success. This year, of course, was no different as spectators enjoyed a week-long tournament that culminated in the Three Oaks Senior High School Axemen, from Summerside, Prince Edward Island, taking home the title as champions. Congratulations to them!

Honourable senators, on the twenty-fifth anniversary of the Coal Bowl, the board of directors established a "Wall of Recognition" that honours the volunteers and donors who work so hard to make the Coal Bowl the national success that it has become. The "Wall" plaque is hung in the gym entrance and houses the "Shining Star Awards." Such awards have been given to the local Knights of Columbus Council, who have hosted the Coal Bowl banquet each year since its inception. Others who have received this recognition include Manulife Financial, the local credit union and the Cape Breton-Victoria Regional School Board.

This year, the Shining Star Award was presented to Lorraine Sheppard. A teacher and now a principal, from River Ryan, Lorraine has been very active on the Coal Bowl Board of Directors and served as co-chair from 2002 to 2010. I have known Lorraine for many years. Her proven leadership and organizational skills are second to none and have led to this much-deserved recognition.

Honourable senators, I am sure you will join me in thanking all the volunteers who have made this year's Coal Bowl a success. As well, we send our congratulations to Lorraine Sheppard on receiving the Shining Star Award this year.

ABORIGINAL KNOWLEDGE AND WESTERN SCIENCE

Hon. Lillian Eva Dyck: Honourable senators, on February 18, I gave an invited topical lecture entitled "The Medicine Wheel and Western Science" to the American Association for the Advancement of Science meeting. The theme for this year's conference in Vancouver was "Flattening the World: Building a Global Knowledge Society." The challenge of this year's theme, for example, is how to address global-scale problems, such as climate change, which affect many things such as agriculture, public health, survivor of coastal cities, and so on. In other words, the conference theme recognizes the interconnectedness of climate change and the rest of the earth's systems and human existence.

I briefly presented three different ways of viewing and doing science: Western science, feminist science and Aboriginal science. In Western science, it is incorrectly assumed that scientific knowledge is value-free and that personal or cultural beliefs are irrelevant. However, scientists, like everyone else, do have gender and cultural biases that can lead to false interpretations of their data and wrong conclusions. An example of gender bias is the recent belief that women are not susceptible to heart disease. We now know that is not the case. An example of a racial bias felt by most Western scientists is that Aboriginals become obese because they possess a faulty "thrifty gene" that makes them store extra calories. Now, it is widely recognized that diet and lifestyle are the main factors in obesity, regardless of race.

• (1340)

In feminist science, the male bias in Western science and its hierarchical approach have been exposed. In feminist science, instead of having research lead only by a principal investigator, the questions or problems to be researched are generated in collaboration with the community affected by the research. Feminist thinking has changed the way science is done. Collaborative team approaches, with accountability to communities, are now the norm.

Finally, using the medicine wheel of the Plains Indians to analyze Western science, I concluded that Western science is unbalanced because it does not include the intuitive or spiritual aspects of thinking. Moreover, Western science is based on reductionist thinking, rather than the holistic, interconnected mode of thinking of traditional Aboriginal peoples. I gave examples of how spiritual insight has helped Western scientists solve problems. I concluded that, to have more creativity in scientific thinking, it would be smart to fully include intuition and spiritual insight in scientific thinking. Furthermore, it would be smart to have culturally diverse teams in order to maximize solving complex problems, such as climate change and quantum physics. Such an approach would bring many different perspectives, or preconceptions, and different ways of thinking that would likely lead to better and more comprehensive or effective solutions.

Honourable senators, Western scientists are beginning to see the value of traditional Aboriginal environmental knowledge and are actively seeking input, for example, from the indigenous peoples of the North. It is good to see that Aboriginal knowledge is finally being recognized as being scientifically valid, but there is a real danger of exploiting the gatherers and keepers of Aboriginal knowledge. Such Aboriginal elders, hunters, and others ought to be full partners in scientific investigations. That is, they should be involved not just in providing data but in formulating the research questions, designing the methods, interpreting the data, and making conclusions, and they should receive equitable benefits, such as sharing authorship and receiving a share of the research funds to pay for their labour or the expenses incurred in their work with Western scientists.

I look forward to the time when Aboriginal knowledge and ways of knowing are fully respected and honoured by the Western scientific community.

BLACK HISTORY MONTH

RACIAL DISCRIMINATION IN CANADA

Hon. Donald H. Oliver: Honourable senators, today marks the last day of Black History Month. I would like to thank Nova Scotia senators Moore and Mercer for their contributions to this debate.

One month ago, I rose in the chamber to comment on some of the challenges African Canadians are facing in today's society, such as racial discrimination and inequality. The *Montreal Gazette* published an op-ed piece that I penned earlier this week on Black History Month. In it, I stated that racism and prejudice still exist in Canada today because slavery was a common practice throughout our Canadian history.

There are still some remnants of slavery today. They manifest themselves through subtle acts of racism and discrimination. Honourable senators, I rise today to share with you specific examples of some of these acts of racism, to show you that the sting of racism still exists in Canada today.

First, in September 2011, an officer of the Barrie, Ontario, police service was under investigation for allegations that he had uttered racial slurs and made rude gestures at an officer in his command. The 35-year veteran suddenly resigned after the allegations against him were filed. The OPP are investigating the complaint, and a private human resources firm is conducting a broader investigation into the accusations.

On September 20, a 15-year-old Ottawa minor hockey player was the subject of a racial slur while on the ice. His opponent was suspended for one game and assigned to sensitivity training for calling him the "N word."

Just days before, honourable senators will remember that the Canadian-born, Philadelphia Flyers forward Wayne Simmonds was the victim of a racist attack during a pre-season hockey game in London, Ontario. A banana was thrown at him during a shootout attempt. In a post-game interview, Simmonds said he did not know that the incident was related to his being Black. He said:

> "That's a first for me. I guess it's something I obviously have to deal with — being a Black player playing in a predominantly White sport."

NBC sports called the act a "shameful, racist display."

Just last week, a Montreal designer made headlines here in Ottawa during Ottawa Fashion Week for all the wrong reasons.

He sent white models down the runway with painted blackface. The designer says it was a misunderstanding, and a spokesman said the collection was unquestionably about art and had no connection with race.

However, the image of White women with painted blackface sends a strong message and shows a lack of sensitivity and awareness of the history of Blacks and racism.

Honourable senators, the four examples I have cited — and there are many others — confirm the importance of celebrating Black History Month.

There is a need across Canada, and indeed around the world, for greater cultural awareness and tolerance and, above all, a greater understanding of the history of Blacks and other minorities and their hardships. Cultural awareness will allow us to be more tolerant and sensitive towards others and towards their realities, lifestyles and heritage.

In conclusion, honourable senators, together we must find ways to promote ethnic diversity and minority inclusion and solutions to eliminating racial discrimination.

[*Translation*]

MR. MIKAËL KINGSBURY

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, today I would like to tell you about a brave and determined young man who is doing us proud around the world.

Mikaël Kingsbury is a 19-year-old moguls skier from Deux-Montagnes and a Fondation Élite de Saint-Eustache scholarship recipient. He recently won the prestigious Crystal Globe, the top prize awarded each year to the moguls world cup champion.

Mikaël is an exceptional young man. At the Vancouver Olympic Games, he was not a member of the national team, but his job was to open the course to get it ready for the competition. His performance was so impressive that experts in the field said his performance preparing the course would have earned him a fourth-place finish in the Olympic Games.

Mikaël is now a member of the national team, and he has been so successful this year that he confirmed his world champion status before the competition year was out. His performance in Naeba, Japan, was one for the history books. He had to cope with difficult conditions, including a cold and a dense fog that tried to slow him down, but he demonstrated the kind of calm that our very best athletes possess, and he found enough energy to make a noteworthy descent that any great champion would be proud of.

This season, Mikaël won eight gold medals and one silver in nine competitions. He accumulated 880 points, while the runner-up managed just 459. What is most impressive about Mikaël is that his ability to conquer moguls is exceeded only by his ability to stay grounded. Despite the fact that he is the youngest skier ever to win the Crystal Globe, his humility and determination are key to his success and make him a role model for thousands of young Canadians.

As a child, he collected photos of freestyle skiers, hoping just to ski alongside them one day. Now his dream has taken him to the top of his sport. Mikaël has shown us that when we believe, when we work tirelessly toward a specific goal, we are sure to succeed.

This young prodigy does not intend to stop there. He now has a specific goal in mind: the 2014 Olympic Winter Games in Russia. Until then, he will continue to train and compete in events like the World Cup, much to the delight of his parents, Robert and Julie, and the entire Canadian freestyle ski team. Mikaël knows that he has his work cut out for him in Russia. He can continue to count on the unwavering support of his usual team as well as his fans.

Mikaël is following in the footsteps of Olympic champions like Alexandre Bilodeau and Jean-Luc Brassard, and he continues to make Canada proud.

Once again, congratulations, Mikaël. We are all so proud of you.

[*English*]

PINK SHIRT DAY

Hon. Joseph A. Day: Honourable senators, today is Pink Tie and Pink Shirt Day, intended to draw your attention to the issue of bullying.

Honourable senators, it provides me with an opening to tell you of a recent publication by Anne Huestis Scott, entitled *The Boy Who Was Bullied*. The story is about John Peters Humphrey, who was a victim of bullying.

• (1350)

John Humphrey was born in Hampton, New Brunswick. He lost his parents at an early age and while playing as a young man, he lost his arm. As a result of his disability he was bullied by his peers as he grew up in this small community. He was not discouraged by this. Instead, he used the inspiration to help those less fortunate and to ensure everyone was treated equally. He used this inspiration to go on and become one of the leaders of the modern human rights system, having drafted the Universal Declaration of Human Rights in 1947 while working at the United Nations with Eleanor Roosevelt.

Scott's book is useful in both documenting the life of a Canadian hero and in highlighting the reality of bullying and how it can be overcome. The book has been accepted by the Department of Education in New Brunswick as an educational resource for schoolteachers. It addresses not only human rights but is very timely in its focus on the difficult issue of bullying. This

book is a resource to help young Canadians realize that they can overcome childhood bullying and, like Humphrey, go on to make a contribution bettering the lives of Canadians as well as others around the world.

MS. MEGAN LESLIE, M.P.

STATEMENT IN HOUSE OF COMMONS

Hon. Gerald J. Comeau: Honourable senators, on Monday, February 27, Halifax NDP Member of Parliament Megan Leslie made a statement in the other place that senators are so unimportant that she cannot name all the ones from Nova Scotia. The only three senators she knew were Senators Cowan, Cordy and Oliver and that they were hard workers. I happen to agree that they work hard, but it is typical of the NDP that she would only have bothered to learn the names of senators from the Halifax Regional Municipality. What is striking is that she cannot name the other senators from Nova Scotia, yet feels completely qualified to judge the quality of their work. It is typical NDP, to Leslie and her Nova Scotia provincial NDP government colleagues, that she would only know the Halifax senators because to Dippers, Nova Scotia is comprised of Halifax.

This is why her Nova Scotia NDP friends eliminated the ferry from Yarmouth to the United States, with no consultation whatsoever. We never heard a peep from self-described hard-working Megan Leslie. She blows her own horn that she is close to the people, but actions speak louder than words. Rather than take French immersion courses at Université Sainte-Anne in Church Point, Nova Scotia, one of the finest French language universities in Canada, she takes her French lessons in Quebec; so much for her support of Nova Scotia. However, to the NDP nothing of value exists outside of metro Halifax anyway.

Her provincial NDP colleagues have decided to eliminate the decades old protection of three rural Nova Scotia Acadian and one Black provincial seat in Nova Scotia. Again, not a word from Leslie on this extremely important subject to Nova Scotians. She never made a peep when her NDP friends increased the HST by 2 per cent in Nova Scotia.

Leslie parrots her party's position on abolishing the Senate in favour of handing over increased political powers in Ottawa to the more populated regions of Canada. Atlantic Canada senators now make up approximately 28.5 per cent of the Senate. This is 28.5 percent of the power of one of the two houses of Parliament.

In the House of Commons after the next election, Atlantic Canada representation will be down to 9.5 per cent. The future will not get any better. However, the Dipper wants to abolish our regional political clout. The scary part about Dippers like Leslie is that they do not know any better. They actually believe their own ideologically driven rhetoric. This is the same Dipper who went to Washington to lobby to kill the Keystone pipeline project and badmouth the Alberta oil sands, an industry which drives the Canadian economy. To lobby in a foreign country against the interests of your own nation seems like very poor judgment to me.

Leslie might talk to the more seasoned colleagues in her caucus, like Peter Stoffer, who makes it a point to be familiar with and respectful of members and senators of all sides. He may not always agree with us, but he has the courtesy and decency to know our names before he criticizes us. Honourable senators, it makes one almost wish for the reform of the Commons.

BLACK HISTORY MONTH

HARMONIOUS SOCIETY

Hon. Mobina S. B. Jaffer: Honourable senators, I rise today to celebrate the last day of Black History Month and talk about the great historical contributions Black Canadian youth have made in our country. For a number of years now I have had the honour and privilege of working with many young Black Canadians on a variety of projects. I have watched with great admiration the contributions these young people have made in their communities and to our country. Although I recognize that Black History Month is a time where we reflect on the contributions Black Canadians have made in our country and celebrate their achievements, I think it is important to also recognize the challenges that many of them continue to face.

My daughter Farzana is a member of the country's Black community and I have witnessed firsthand the challenges she has faced because of the colour of her skin. Throughout her childhood, she was left out and not invited to birthday parties and other events for the sole reason that she looked different from her friends. She suffered other forms of racism because she was Black. Fortunately Farzana, like many other Black Canadians, triumphed in spite of these social challenges. However, many Black Canadians have not.

Over the last few weeks as a member of the Standing Senate Committee on Legal and Constitutional Affairs, I have studied Bill C-10, the Safe Streets and Communities Act. During this time I interacted with a movement called Blacks Behind Bars who educated me on the overrepresentation of Black Canadians in our prisons and the negative impact this bill will have on all minorities in Canada.

Honourable senators, as we celebrate Black History Month, we must remember that we, the senators, have a duty to protect all Canadian citizens, particularly minorities. This includes Black Canadians.

When I was a young girl, my father wanted me to be a politician and my mother wanted me to be a pianist. Although it may be obvious who won that battle, for a number of years I did attempt to learn how to play the piano. I remember arguing with my mother when she would force me to practise. I never really enjoyed playing the piano, and in an effort to rebel against my mother, I often used to play only on the black keys or only on the white keys. This, of course, produced a very unpleasant sound. However, it also taught me an important lesson: In life, like in music, you must not only play on the black keys or only on the white ones as this will never create harmony.

As we celebrate Black History Month, I urge all honourable senators to recognize the importance of coming together and putting aside our differences in an effort to create a society that lives in harmony — a harmonious Canada.

NORTH KOREAN REFUGEES

Hon. A. Raynell Andreychuk: Honourable senators, I rise to draw your attention to North Koreans detained in China who face torture, imprisonment and possible execution if returned to their country of origin.

Every year, between 2,000 and 3,000 North Koreans attempt to escape impoverishment and subjugation in their country. An underground railroad takes them through China and Southeast Asia, often to friends and family in South Korea. Some, caught in transit, never reach their destination. China has a policy of forcibly repatriating undocumented North Koreans.

Earlier this month, Chinese authorities detained some 30 North Korean defectors. Several are reportedly children with parents in South Korea. Yesterday, Amnesty International said nine of those detained had been sent back. They will be the first to be returned since the new leader has come into place and has threatened to treat as war criminals anyone caught trying to cross into China during the 100 days of national mourning following the death of his father.

South Korea raised the plight of the defectors this Monday at a high-level session of the UN Human Rights Council in Geneva. It followed the adoption last Friday of a resolution urging China to change its policy on North Korean defectors by a South Korean parliamentary committee.

• (1400)

The resolution's sponsor, legislator Park Sun-Young, has been on a hunger strike for nine days and living in a tent outside the Chinese embassy in Seoul, to draw attention to the issue. The United Nations Refugee Agency last week urged China to uphold its obligation as a state party to the United Nations Refugee Convention and not forcibly return North Koreans to a country where they will face persecution, if not death.

I ask you to join me here in the Senate in calling on China to observe its obligations toward North Korean refugees under international human rights law.

OIL SANDS

Hon. Bert Brown: Honourable senators, I rise to give you some figures from the Canadian Energy Research Institute regarding Canada's oil sands boom. Alberta is not the only jurisdiction to revel in bitumen wealth. Here are the estimated gains the oil industry will have provided to the rest of Canada between 2010 and 2035. The percentages of jobs outside of Alberta are as follows: Ontario will get 52 per cent; British Columbia will get 25 per cent; Quebec will get 13 per cent; and the rest of Canada will get 10 per cent.

The total estimated GDP of the Canadian oil sands will be $2.1 trillion. The total combined taxes paid will be $311 billion in federal taxes, $105 billion in provincial taxes and $350 billion in provincial royalties; and the United States will get $521 billion.

The employment in the United States is expected to grow from 21,000 to 465,000. It is estimated that for every two jobs created in Canada, one will be created in the United States. Employment in Canada is expected to grow from 75,000 to 905,000, and 126,000 of that will be outside of Alberta. Employees will earn approximately $25 billion per year.

The supplies and services the industry will purchase outside of Alberta will be as follows: Ontario, $63 billion; B.C., $28 billion; Quebec, $14 billion; and the rest of Canada, $12 billion.

ROUTINE PROCEEDINGS

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

SEVENTH REPORT OF COMMITTEE PRESENTED

Hon. David Tkachuk, Chair of the Standing Committee on Internal Economy, Budgets and Administration, presented the following report:

Wednesday, February 29, 2012

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

SEVENTH REPORT

Your Committee has approved the Senate Main Estimates for the fiscal year 2012-2013 and recommends their adoption. (Annex A)

Your Committee notes that the proposed total budget is $92,216,846.

An overview of the 2012-2013 budget will be forwarded to every Senator's office.

Respectfully submitted,

DAVID TKACHUK
Chair

(*For text of report, see today's* Journals of the Senate, *Appendix, p. 913*.)

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

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

[*Translation*]

SAFE DRINKING WATER FOR FIRST NATIONS BILL

FIRST READING

Hon. Claude Carignan (Deputy Leader of the Government) presented Bill S-8, An Act respecting the safety of drinking water on First Nation lands.

(Bill read first time.)

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

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

[*English*]

CANADA-AFRICA PARLIAMENTARY ASSOCIATION

BILATERAL VISITS, JANUARY 17-20, 2012— REPORT TABLED

Hon. A. Raynell Andreychuk: Honourable senators, I have the honour to table, in both official languages, the report of the Canadian parliamentary delegation of the Canada-Africa Parliamentary Association on the Bilateral Visits to the Republic of Kenya and the Republic of South Sudan, held in Nairobi, Republic of Kenya and Juba, Republic of South Sudan, from January 17 to 20, 2012.

NATIONAL SECURITY AND DEFENCE

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY STATE OF DEFENCE AND SECURITY RELATIONSHIPS WITH THE UNITED STATES

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

> That the Standing Senate Committee on National Security and Defence be authorized to examine and report on the state of Canada's defence and security relationships with the United States; and
>
> That the Committee present its final report to the Senate no later than December 31, 2013 and that the Committee retain, until March 31, 2014, all powers necessary to publicize its findings.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY STATUS OF AND LESSONS LEARNED DURING CANADIAN FORCES OPERATIONS IN AFGHANISTAN

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

> That the Standing Senate Committee on National Security and Defence be authorized to examine and report on the status of, and lessons learned, during Canadian Forces operations in Afghanistan; and
>
> That the Committee present its final report to the Senate no later than December 31, 2013 and that the Committee retain, until March 31, 2014, all powers necessary to publicize its findings.

LIQUEFIED NATURAL GAS

NOTICE OF INQUIRY

Hon. Richard Neufeld: Honourable senators, I give notice that, two days hence:

> I will call the attention of the Senate to the issue of liquefied natural gas in Canada and its associated benefits.

QUESTION PERIOD

HEALTH

NUTRITION NORTH CANADA

Hon. Nick G. Sibbeston: Honourable senators, one year ago I stood here and asked the Leader of the Government in the Senate about the Nutrition North Canada program. This program was instituted by the federal government to provide fresh nutritious food to the remote northern communities. It was a subsidized program for things like vegetables, fruits and milk to remote communities because these sorts of foods are not readily available in the North, and it costs a lot to transport them there.

The government last winter stopped the program and started another program with some differences. In any case, it is clear that despite the amendments made to the program in March 2011, things are not working as they should.

Recently, MLAs from all three territories and Northern Quebec have sent messages to the federal ministers concerned saying that the program is not working. In many cases, despite the subsidy, the food in the stores has not gone down. There have been complaints by people, and those, in turn, were sent to the ministers by the MLAs.

Can the Leader of the Government in the Senate see about investigating those complaints, talk to her ministerial colleagues who are responsible, and see what can be done to ensure that the program is effective in providing cheap and healthy foods to the people of the North?

Hon. Marjory LeBreton (Leader of the Government): Honourable senators, I appreciate the honourable senator's ongoing interest and concern about this very important issue.

Obviously, our government, as all of us would be, is committed to providing northerners with healthy food choices at affordable prices.

• (1410)

As the honourable senator alluded in his question, we have been working with Northerners, retailers and suppliers. We created the advisory board made up primarily of Northerners so that

stakeholders' concerns could be brought directly to the centre and could provide recommendations to ensure that the program continues to develop in a positive way that will bring necessary foods to the North.

We have listened to many concerns and have acted on many of them. One of the recommendations we received and upon which we acted was that important food such as baby food is subsidized.

Honourable senators, this program still requires some work, but we have gone some way to delivering good, fresh food to the North and ensuring it is as affordable as possible for the people who live there.

[*Translation*]

SCIENCE AND TECHNOLOGY

RESEARCH

Hon. Claudette Tardif (Deputy Leader of the Opposition): My question is for the Leader of the Government in the Senate. In an open letter to the Prime Minister dated February 16, scientists belonging to six Canadian professional organizations pointed out that, since coming to power in 2006, the government has erected a veritable wall between Canadians and publicly funded researchers.

The letter speaks about how, since 2006, communications about the research findings of federal scientists have turned into public relations efforts.

I would like to quote a passage from that letter.

> Despite promises that your majority government would follow principles of accountability and transparency, federal scientists in Canada are still not allowed to speak to reporters without the "consent" of media relations officers. Delays in obtaining interviews are often unacceptable and journalists are routinely denied interviews. Increasingly, journalists have simply given up trying to access federal scientists, while scientists at work in federal departments are under undue pressure in an atmosphere dominated by political messaging.

Publicly funded research must not serve political interests, but the interests of science and public debate, which require the free flow of information.

Why has the government implemented a policy that censors these researchers and is criticized by scientists and the media alike?

[*English*]

Hon. Marjory LeBreton (Leader of the Government): Honourable senators, that quote reminds me of what my father used to say to me: Believe 98 per cent of what you see and only 4 per cent of what you read.

The fact of the matter is, honourable senators — and I have answered this question before — ministers in this government are the primary spokesperson for their departments, as was the case in the previous government. Scientists share research material and publish research findings, and scientists working for the Government of Canada grant hundreds of interviews to discuss their work. For instance, Fisheries and Oceans scientists responded to approximately 380 science-based media calls annually. Last year, Environment Canada officials completed over 1,200 media interviews, including more than 325 interviews with departmental scientists. Therefore, I believe the premise of the honourable senator's question and the accusations she makes are quite false.

[*Translation*]

Senator Tardif: Honourable senators, I am not the one making these accusations. This letter addressed to the Prime Minister was sent and signed by the president of the Association des communicateurs scientifiques du Québec, the president of the Association science et bien commun, the president of Canadian Journalists for Free Expression, the president of the Canadian Science Writers' Association, the executive director of the World Federation of Science Journalists and the president of The Professional Institute of the Public Service of Canada. These six professional organizations are calling for a review of Canada's communication policy.

When will the government act with the transparency it promised and review its communication policy in order to restore freedom of expression to Canadian federal researchers?

[*English*]

Senator LeBreton: Honourable senators, I wonder if this same group sent a similar letter to the previous government because ministers in the government are primarily responsible for answering for their departments and that has not changed. This has been the case with our government; it was the case with the short-lived Martin government; and it was the case with the Chrétien government.

To these people who signed the letter, I would simply say they should check their facts because they are clearly misinformed and the numbers I put on the record speak for themselves. There have been many interviews, and scientists have had direct access to the media, so perhaps they should check their facts before writing letters asking for a change in policy.

Hon. Joan Fraser: Honourable senators, just to zero in on the leader's facts, in her answer to Senator Tardif's first question the leader cited statistics, as I heard her, for the number of officials of various departments who have given interviews. I would have to assume that would include communications officers.

How many scientists are free to respond to inquiries from the press about their work, not about department policy but just about the results of their research, without having prior clearance on the questions and the answers from the department?

Senator LeBreton: If the honourable senator had been listening, I did not just say "officials." I cited 325 interviews with "scientists" from Environment Canada.

Senator Fraser: She said "officials."

Senator LeBreton: I said "scientists," I believe.

[*Translation*]

ELECTIONS CANADA

ELECTORAL BOUNDARIES

Hon. Maria Chaput: Honourable senators, my question is for the Leader of the Government in the Senate and has to do with the redistribution of federal electoral boundaries and, more specifically, the process for appointing members to those commissions.

As you know, the Speaker of the House of Commons has chosen and appointed the 20 members who will now sit on these 10 commissions. These commissions are responsible for redrawing the federal electoral map and holding public hearings to hear testimony and present the new federal electoral map.

How were the names of these newly appointed members obtained? What was the process? Were there any interviews conducted, recommendations made, or CVs obtained? If you do not have the answers, could you get the information?

[*English*]

Hon. Marjory LeBreton (Leader of the Government): Obviously, I would not have that kind of detail at my fingertips, as honourable senators can understand. Through Parliament we passed a piece of legislation to increase the number of seats to ensure that the growing provinces' populations are properly reflected in the number of seats in the House of Commons. A process is followed, as the honourable senator quite correctly pointed out, through the Speaker of the other place. This has always been the case.

In terms of the exact process, honourable senators, I do not have the details, but I will be very happy to take the question as notice.

[*Translation*]

Senator Chaput: I would like to ask a supplementary question. This review takes place every 10 years and has a major impact on the democratic process. These commissions have the obligation to consider communities of interest and the rights of official language minority communities. How did you ensure that these 20 members are a diverse group? Were there directives in this regard, and if so, by whom were they issued?

[*English*]

Senator LeBreton: Honourable senators, the people who have been tasked with the responsibility for redrawing Canada's electoral boundaries would take into consideration all of the factors that are required to ensure the boundaries are properly constituted.

• (1420)

I have great faith in the people who put their names forward and agree to perform these tasks on behalf of the population of Canada. All who undertake such responsibilities act in good faith. However, if there is any further information that I am able to acquire, I would be happy to do so.

[*Translation*]

Hon. Claudette Tardif (Deputy Leader of the Opposition): Honourable senators, as a result of complaints that official language minority communities were not taken into account during the last redistribution process, the Commissioner of Official Languages recommended that the Electoral Boundaries Readjustment Act be amended in order to ensure that these communities would be clearly identified and included in the definitions of "community of interest" or "community of identity" to be taken into account during the redistribution process.

The government still has not implemented the commissioner's recommendations, which date back to 2006. Since it is too late to make such amendments to the legislation in time for the upcoming redistribution, will the government ensure that these commissions take official language minority communities into account during this process?

[*English*]

Senator LeBreton: Honourable senators, that is interesting, but I do not believe this government was the government in office when the boundaries were last redrawn. If the Commissioner of Official Languages has some particular complaints, perhaps she should look in a mirror.

As the honourable senator states, the Commissioner of Official Languages made some recommendations in 2006, which happened to be the year that we formed the government. I am quite confident that the individuals responsible for redrawing the boundaries will take into consideration the representations of the Commissioner of Official Languages. As the honourable senator mentioned, there are public hearings into the various boundaries. I am sure that if people find that an area is not addressed properly, they will have ample opportunity to do so.

[*Translation*]

Senator Chaput: The leader reminded me of something, and that is that there will be public hearings. She can be certain that the communities will react. I learned that the commissions were going to hold only one public hearing in each province. Is this true? And, if so, how will this one public hearing be announced? Will the communities have enough time to prepare?

[*English*]

Senator LeBreton: I assume the honourable senator is asking about a process that happened before we formed the government. I cannot answer for the previous government. The honourable senator will have to check the records in the archives to see what happened.

There is a process for public hearings, and I will add a request for further information on that process when a written response is prepared for the honourable senator.

[*Translation*]

Senator Chaput: I did not really understand the government leader's response. I do not know if she was talking about what will happen now. Will the current commissions hold a single public hearing in each province or not?

I might add that, despite my political affiliation, my question is non-partisan in nature. I asked the same questions in the past, before I became a senator and when these public hearings were being held at a time when the other party was in power. I voiced my concerns at that time. What I am saying is non-partisan. I am concerned only about the rights of official language communities, knowing very well that quite often, when no one is talking about something, it is forgotten.

I would like to reiterate my question. Are the existing commissions going to hold only one public hearing or several? Will those public hearings be announced in a manner that gives the communities time to prepare their response?

[*English*]

Senator LeBreton: I thank the honourable senator, but I thought I answered that. I made reference to what happened in the past, and I offered to add information about the process for public hearings in the written response to the honourable senator.

[*Translation*]

PUBLIC SAFETY

CRIMINAL AND ADMINISTRATIVE RECORDS— PENAL REFORM

Hon. Céline Hervieux-Payette: Honourable senators, my question is for the Leader of the Government in the Senate. The Quebec media recently reported its concern about how long it takes to update the criminal records of francophone criminals. It can take up to 55 months, compared to just 34 months for the criminal records of anglophone criminals.

Some 420,000 criminal records of francophone Canadians are waiting to be updated right now in Canada. In a report released last June, the Auditor General of Canada said the RCMP was to blame. The time it takes to update criminal records has quadrupled since 2005, in other words, since the last Liberal government. I am not blaming the RCMP, because it needs resources in order to get this done.

While the Conservative Party has joined forces with the National Rifle Association to deregulate gun ownership in Canada, while it insists on minimum sentences for purely ideological reasons, while it wastes taxpayers' money on building ineffective, unnecessary megaprisons, can the Leader of the Government tell us when the government will finally get serious about victims and public safety and give its administration the resources it needs to operate?

[*English*]

Hon. Marjory LeBreton (Leader of the Government): The honourable senator cited statistics in the Province of Quebec for a process over which the RCMP has jurisdiction. I will seek to obtain an answer for the honourable senator.

In terms of victims of crimes, this government has taken great steps forward with the whole issue of compensating and dealing with victims of crime, while ensuring that the perpetrators of these crimes are properly incarcerated.

[*Translation*]

Senator Hervieux-Payette: The problem seems to stem from the ability of the Canadian Criminal Real Time Identification Services, which is overseen by the RCMP, to process francophone files. It seems to me that the organization should be able to find enough employees in Canada who can at least speak French and English, because in general, people are bilingual.

Police officers are already worried about the idea of getting rid of the gun registry. They are also worried about having to work in an unsafe environment because criminal records are not up to date. As the president of the Fraternité des policiers de Montréal, Yves Francoeur, said:

> Information is key to public safety, and up-to-date information is extremely important.

Can the government leader tell us how the Conservative government plans to tackle Canada's real public safety problems? When will the government stop saying that it is investing plenty of money for victims, when the amount allocated to victims is negligible compared to what is spent on those serving time?

[*English*]

Senator LeBreton: Honourable senators, I would like Senator Hervieux-Payette to tell me where all these new penitentiaries are. Where are these phantom penitentiaries? There are none. The fact is that through Bill C-10 and various initiatives taken by the government, and thanks to our colleague Senator Boisvenu who has been one of the leaders in this area, especially in the province of Quebec, the government is working extremely hard not only to ensure that people who perpetrate violent crimes against their victims are properly incarcerated, but also that victims' voices are heard and properly acknowledged in our system of justice.

The honourable senator made reference to the records and she seemed to cite some difficulties in terms of delays within the RCMP. I can only say to the honourable senator that I will have to get more information from the Department of Public Safety on that.

• (1430)

Senator Hervieux-Payette: I understand that the leader cannot give us the figure for the new prisons, and it will probably not be in the budget because that weight will be put on the shoulders of the provinces. Most of the time these minimal sentences will provide for those who are convicted to be jailed. I can quote the number given by the Minister of Justice for Ontario yesterday. The minister said it would cost $1.2 billion, and that is just for one province. Multiply by four and we are close to a $5-billion figure that was stated.

As far as I am concerned, the leader cannot address the question by checking it off as though her government is not responsible for its policy. The government should either pay for it or change the policy that no one agrees with.

Senator LeBreton: The honourable senator keeps perpetrating this myth that new penitentiaries are being built. Please tell me where they are. I would be interested in having a look at them.

I saw Madeleine Meilleur's statements yesterday. It is typical to hear misinformation like that from a minister in the McGuinty government. She is just following the lead of her own premier. However, I think it is safe to say that the cost of crime on our system and for the victims far exceeds the cost of fighting crime.

The honourable senator mentioned the province of Ontario. Since taking office, our government has increased support payments to the Province of Ontario — get this Senator Hervieux-Payette — 77 per cent, or by nearly $8.4 billion. Toughening sentences does not create new criminals; it simply keeps criminals in jail for a more appropriate length of time.

I again point out to honourable senators that when we ran in the May 2011 election, when we ran in 2008 and when we ran in 2006, we made it very clear that this government was finally going to take criminal activity seriously and do something about it.

Senator Hervieux-Payette: Perhaps the leader can explain what will happen to the 420,000 cases that have not been dealt with. One must understand these people will have a hard time finding a job, will not necessarily be productive and will be excluded from making a living once they return to society. These cases must be solved immediately, and this is a responsibility of the federal government. They cannot throw that back in the courtyard of the provinces.

When will the government deal with these 420,000 cases and make sure that the inquiry is done, the report is done, and these people are free to work in the regular labour market?

Senator LeBreton: I believe I acknowledged that I would have to go back and get information on the numbers that the honourable senator cites for the province of Quebec. I did undertake to seek more information and provide a written response. That is all I can really add at this point in time.

[*Translation*]

DELAYED ANSWER TO ORAL QUESTION

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, I have the honour to table the answer to the oral question asked by the Honourable Senator Hubley on February 16, 2012, concerning heritage lighthouse protection.

FISHERIES AND OCEANS

HERITAGE LIGHTHOUSE PROTECTION

(Response to question raised by Hon. Elizabeth Hubley on February 16, 2012)

The Report on the Implementation of the *Heritage Lighthouse Protection Act* was adopted by the Senate on October 20, 2011. The Government is closely examining each of the recommendations contained in the report which pertain to both the Department of Fisheries and Oceans and the Parks Canada Agency. An official government response is due to be tabled in the Senate prior to March 18, 2012. The Government recognizes the historical importance of Canada's lighthouses as a symbol of our nation's maritime heritage.

ORDERS OF THE DAY

BUSINESS OF THE SENATE

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, I would like to inform the Senate that, pursuant to rule 27(1), when we proceed to Government Business, the Senate will address the items in the following order: first, consideration of the ninth report of the Standing Senate Committee on Legal and Constitutional Affairs, then Bill C-10, followed by all other items according to the order in which they appear on the Order Paper.

[*English*]

SAFE STREETS AND COMMUNITIES BILL

NINTH REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the ninth report of the Standing Senate Committee on Legal and Constitutional Affairs (Bill C-10, An Act to enact the Justice for Victims of Terrorism Act and to amend the State Immunity Act, the Criminal Code, the Controlled Drugs and Substances Act, the Corrections and Conditional Release Act, the Youth Criminal Justice Act, the Immigration and Refugee Protection Act and other Acts, with amendments and observations), presented in the Senate on February 28, 2012.

Hon. John D. Wallace moved the adoption of the report.

He said: Honourable senators, I am very pleased to have the opportunity to speak to the ninth report of the Standing Senate Committee on Legal and Constitutional Affairs. That report, of course, is in regard to our study in consideration of Bill C-10. I will explain to honourable senators the amendments that were recommended and approved by our committee, and I will take them through each of those in a moment.

Before doing so, I want to say that we went through a rather exhaustive process over the last four weeks as a committee to consider the bill. In particular, last week we had all-day sessions through the week. I do not say that for anyone to pat us on the back for it; that is what we are here to do and that is the work we do. However, I do want to say that I and I believe all our colleagues on the committee found it to be a very positive experience. I say that because of the work and the focus on the subject matter that was really apparent. It was obviously apparent on this side of the chamber and equally so on the other side of the chamber.

I would be remiss if I did not acknowledge the continuing contribution of Senator Fraser, our deputy chair, who always brings a thoughtful approach. When I was deputy chair and she was chair I learned a great deal from her, and that leadership was very evident last week.

As well, I want to acknowledge the Leader of the Opposition in the Senate, Senator Cowan, who is an ex officio member. He was with us all through the week and contributed in an extremely positive and constructive way. At the end of it, did we all agree on the conclusions? No, we did not, but there were very few if any stones that I felt were left unturned. Therefore I acknowledge and thank all members of the committee, including those I mentioned that are opposite.

As I believe honourable senators are aware, Bill C-10 brought together nine previous bills that had been presented to Parliament and not passed, covered a variety of topics — topics that related to victims of terrorism, vulnerable foreign workers, international transfer of offenders, controlled drugs, sexual offences against children, youth criminal justice, house arrest, parole and pardon. It was a comprehensive and all-inclusive study.

The conclusion of our committee was that we believed certain amendments were required to the bill. Our committee approved or passed six separate amendments, and I would like now to take honourable senators through each of those and describe the nature of them.

The first amendment was in respect of clause 2 of Bill C-10. This amendment to clause 2 would allow the victims of terrorism to sue listed foreign states not only for supporting terrorism but also for directly committing an act of terrorism. This particular amendment expands the cause of action created by the justice for victims of terrorism act to allow victims of terrorism to file an action against a listed foreign state for directly committing an act of terrorism.

The second amendment was in respect of clause 3.1 of Bill C-10. New clause 3.1 defines what is considered to be "'terrorist activity' in respect of a foreign state." This amendment was considered necessary because the state immunity of listed foreign states would be lifted for their terrorist activity as opposed to only being in respect of the support of terrorist activity.

• (1440)

The third amendment is in respect of clause 5 of Bill C-10. This amendment specifies, in the State Immunity Act, that a listed foreign state's immunity is lifted not only for providing support to terrorism but also for committing terrorist activities. This would allow a Canadian court to hear an action against a listed foreign state for these two reasons; that is, support and terrorist activity.

The fourth amendment is in respect of clause 6 of Bill C-10. This amendment would modify subsection 11(3) of the State Immunity Act to add that a listed foreign state does not benefit from immunity in respect of an action brought against it for its terrorist activity. This means that a successful plaintiff could ask the court for an injunction, specific performance or to recover land or property against a listed foreign state where a successful judgment was registered against it for its support of terrorism or its terrorist activity. Originally, Bill C-10 only allowed this for the listed state's support of terrorism.

The fifth amendment is in respect of clause 7 of Bill C-10. Sub-clause (*a*) of the amendment to clause 7 would modify subsection 12(1)(*b*) of the State Community Act to allow for the seizure of property under Canadian jurisdiction of a listed foreign state that is used or intended to be used for its terrorist activities. Originally, Bill C-10 only allowed for the seizure of property that was used or intended to be used by that listed foreign state for its support of terrorism.

Sub-clause (*b*) of this amendment would modify subsection 12(1)(*d*) of the State Immunity Act by adding a new circumstance where the property of a listed foreign state could be seized; namely, when the remedy is executed to satisfy a judgment issued against a listed foreign state for its terrorist activity. However, this subsection specified that property having cultural or historical value could not be seized. Originally, Bill C-10 only allowed for such seizure where a judgment was issued against a listed foreign state for its support of terrorism.

Finally, the sixth amendment is in respect of clause 9 of Bill C-10. This amendment to clause 9 would modify subsection 13(2) of the State Immunity Act to specify that the court could impose penalties or fines against a listed foreign state for failing to produce any document or other information in the course of proceedings before the court for its terrorist activity. Originally, Bill C-10 only allowed this for the listed foreign state's support of terrorism.

Honourable senators, that is the description and the rationale behind our passing of those six amendments. In addition, we had no shortage of discussion on all the key issues involved with this bill. Those issues were the subject of proposed amendments, but the only amendments that were approved by the committee were those I have just described.

The committee learned such a great deal that going forward we want to bring key issues to the attention of both houses of Parliament. We felt very strongly that further work must be done on many of the issues that were brought before us. As a result of that, we made a series of observations upon which I will touch briefly.

The first observation concerns the issue of mental illness which, unfortunately, is prevalent among incarcerated offenders. Treatment for their mental illness is a real concern. The committee feels very strongly that more must be done from two perspectives. There is an obligation for society to do what we can to assist these people, but we also have an obligation for the protection of society. We want to eliminate repeat offences as much as possible. To have offenders with mental illnesses serve their sentences only to go back into the community is a concern.

We feel this issue should be addressed immediately. We urge the Correctional Service of Canada to address it urgently. As was pointed out by witnesses, in particular Dr. Bradford from Brockville, there are alternative service delivery treatment options that have proven to be effective. The St. Lawrence Valley Correctional and Treatment Centre in Brockville is an example of one.

Our conclusion was that these optional treatments should be looked at and followed up on immediately. We urge the Correctional Service of Canada to take a very strong lead in examining them and, where appropriate, implementing them.

The second observation is in respect of the circumstances of Aboriginal Canadians, both from the perspective of incarcerated Aboriginals and Aboriginal victims. The testimony we heard made it clear that there is a considerably greater percentage of both in Aboriginal communities than in other parts of Canada. That is a serious concern of ours, as I am sure it is a serious concern of the government. It is one thing to be concerned about it and another thing to do something about it. The committee believes that corrective action should be taken on an urgent basis. This will require major societal effort, not only by the federal government but also by the provincial and territorial governments and community organizations. It is time to get on with it. We heard testimony from National Chief Atleo, for whom we have great respect, and I think we have a full appreciation of the circumstances of Aboriginal Canadians.

We also heard testimony from victims of crime. Their testimony was heart wrenching and it left a very strong impact on all of us. The experiences that some of these victims went through were horrendous, but they were not looking for vengeance or pity. To a person, they want the system corrected. They want to reduce victimization. From their experiences they have learned so much that they felt we should know and consider when we are crafting legislation. That had a tremendous impact upon us.

The committee strongly believes that additional effective measures are needed to help victims. This is another matter that involves jurisdictions across the country. It will not be dealt with only under the authority of the federal government. Again, it must involve federal, provincial and territorial governments and communities, and the exchange of ideas and solutions should occur among all levels and include the victims.

On our final observation, the bill provides for youth offenders in certain circumstances who serve their sentences in youth detention to be transferred at age 18 to adult jails or penitentiaries. A very thoughtful concern came out. In many cases, we heard testimony that very good rehabilitative work takes place with the youth when they are incarcerated in youth facilities. When they move to an adult institution, those rehabilitative efforts may end. One of our senators felt strongly — Senator Fraser brought that to our attention — that transitional programs should be in place for youth who, at age 18, find themselves in adult institutions. That was an excellent suggestion.

There is a final thing, and I will touch on it briefly.

• (1450)

The Hon. the Speaker: I regret to advise the honourable senator that the 15 minutes allotted have expired.

Senator Cowan: We will allow five more minutes.

Senator Wallace: Thank you.

I realize that in all likelihood many of these issues will be discussed in further detail at third reading, so I will not go into some of this in detail. It was certainly important to us on the committee, and I know within the steering committee that consisted of Deputy Chair Fraser and Senator Boisvenu, and there was a strong feeling that we had to analyze the key issues within the bill. As I say, there were nine different components. We wanted to ensure that we had evidence before the committee that would delve into all of the issues we could identify within those nine portions of the bill. We wanted to make absolutely certain that we were not gearing it to any conclusions, so we went to great lengths to find a balance — I think we were reasonably successful — on the arguments for and against.

That evidence was brought forward through a full range of witnesses, ranging from government officials involved with the ministries; law enforcement; victims' organizations; those who support offenders, such as The John Howard Society of Canada and the Canadian Association of Elizabeth Fry Societies; academics; and NGOs. The testimony we heard came from all segments of society that would have interest in these issues.

As I said earlier, having gone through that process, I learned a great deal. I certainly knew more when I came out of the other end of that process than I did when I went in.

As a committee, did we agree on everything; were we unanimous? No, we were not. However, even where there was not agreement, and I was really impressed with this, when issues and suggestions were put forward, the response, without exception, was intelligent and measured. It was not simply, "No, that is it." That worked back and forth on both sides.

In any event, I will leave it at that. With nine previous bills included in Bill C-10, there is obviously a lot to be said, but hopefully that gives honourable senators a feeling of the process we went through to get to this point.

Hon. Joan Fraser: Would Senator Wallace take a question?

Senator Wallace: Certainly.

Senator Fraser: It is a friendly question; we will get into other matters in later debate. Before I put it, I would like to thank him for his kind words about the senators on our side and about me, and I would like to return the compliment. We all know the chair sets the tone in very great measure in committees. Taking us through last week during what were very long hours but basically at a break-neck pace, when one considers that we were looking at nine bills, the chair kept us on track and kept us from losing our tempers or becoming extra emotional when discussing some of the subjects that go to deeply-held principles on both sides. That was not easy. I congratulate the senator on his success.

We all know that senators, no matter how hard they work — and we did work very hard — are lost without the support of our own staff, all of whom I know have been thanked profusely by the individual senators, and rightly so, , but also the Senate staff. Our Senate staff support for the committee last week had to be extraordinary. I wonder if Senator Wallace will join me in putting on the record our formal recognition of the extraordinary work and excellent support they gave us, in particular the amazing quantity and quality of work done by our clerk, Shaila Anwar.

Hon. Senators: Hear, hear!

Senator Wallace: I truly thank the honourable senator for that question. Absolutely, and our clerk was fabulous — the hours she worked. Emails came to us at midnight; she was tremendous and kept us on track.

I thank the honourable senator as well. As she does many times when there is something that I slip up on, as I just did — I was remiss in not mentioning that — she covers me on my shortcomings. I thank her for that.

The Hon. the Speaker: Continuing debate.

Hon. James S. Cowan (Leader of the Opposition): Honourable senators, I will have a slightly longer intervention tomorrow, but today I did want to thank Senator Wallace for what I thought was a very clear and fair explanation of the amendments approved at the committee level and recommended to the house in the report.

I wanted to point out that those were essentially the amendments that had been proposed by the government at third reading in the other place and had been rejected because the Speaker of the other place concluded that they should have been presented, or could have been presented, at committee stage. I would be remiss if I did not point out that they were essentially the same amendments that had been proposed by Irwin Cotler in an attempt to improve one of the good parts of this bill in dealing with terrorism and victims of terrorism, and amendments to the State Indemnity Act.

We on this side were pleased to support those amendments. We were disappointed that the committee did not see fit to support any of the amendments proposed from our side, which in our view would have made the legislation more effective and better able to address the issues the government and all of us want to address, and that is to make our streets and our communities safer.

I will have more to say about that tomorrow, but for today I simply wanted to thank Senator Wallace for his kind words about the work of the committee. I wanted to endorse those words and to thank him for his leadership of the committee and for the clear way in which he presented not only the amendments and the rationale behind them but the observations as well.

As honourable senators participate in the debate — those who were there, particularly last week, and other senators — they will see that some deeply troubling issues are outside the purview of Bill C-10. Perhaps they are outside the purview of the legislative capacity of the Parliament of Canada, but they are issues that are deeply troubling in our society. To the extent that we, as legislators in the federal sphere, can do something about addressing those issues from a legislative point of view, or pointing out those issues and stressing the importance of them to other elements of society, other jurisdictions and those in the non-governmental sector, then we have a responsibility to do that. I hope that we will be able to persuade other honourable senators who were not part of this to take a similar view.

With those words, honourable senators, I move the adjournment of the debate for the balance of my time.

(On motion of Senator Cowan, debate adjourned.)

[*Translation*]

ALLOTMENT OF TIME FOR DEBATE— NOTICE OF MOTION

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, after holding discussions with the deputy leader of the opposition on setting a period of time for the debate on report stage and third reading of Bill C-10 and failing to agree, I give notice that at the next sitting of the Senate, I will move:

> That, pursuant to rule 39, a single period of a further six hours of debate, in total, be allocated to dispose of both the report and third reading stages of Bill C-10, An Act to enact the Justice for Victims of Terrorism Act and to amend the State Immunity Act, the Criminal Code, the Controlled Drugs and Substances Act, the Corrections and Conditional Release Act, the Youth Criminal Justice Act, the Immigration and Refugee Protection Act and other Acts;
>
> That, if debate on report stage comes to an end before the expiration of the six hours, the Speaker shall put forthwith and successively every question necessary to dispose of report stage in accordance with rule 39(4);
>
> That, if debate on third reading comes to an end before the expiration of the six hours, the Speaker shall put forthwith and successively every question necessary to dispose of third reading in accordance with rule 39(4); and
>
> That at the expiration of the six hours of debate the Speaker shall interrupt, if required, any proceedings then before the Senate and put forthwith and successively all questions necessary to dispose of report stage, if not yet disposed of, and third reading in accordance with rule 39(4).

• (1500)

[*English*]

CRIMINAL CODE
CANADA EVIDENCE ACT
SECURITY OF INFORMATION ACT

BILL TO AMEND—SECOND READING—
DEBATE ADJOURNED

Hon. Linda Frum moved second reading of Bill S-7, An Act to amend the Criminal Code, the Canada Evidence Act and the Security of Information Act.

She said: Honourable senators, I am pleased to initiate the second reading debate on Bill S-7, An Act to amend the Criminal Code, the Canada Evidence Act and the Security of Information Act.

This bill proposes to re-enact the provisions found in former Bill C-17 from the last session of Parliament which focus on the investigative hearing and the recognizance-with-conditions provisions that sunsetted in 2007. It also responds to recommendations of the parliamentary review of the Anti-terrorism Act, which took place between 2004 and 2007, and includes additional improvements to the Criminal Code, the Canada Evidence Act and the Security of Information Act.

I would like to begin my remarks by noting the unique nature of terrorism offences. The Ontario Court of Appeal, in the 2010 decision of *R v. Khawaja* stated that:

> To be sure, terrorism is a crime unto itself. It has no equal. It does not stop at, nor is it limited to, the senseless destruction of people and property. It is far more insidious in that it attacks our very way of life and seeks to destroy the fundamental values to which we ascribe — values that form the essence of our constitutional democracy.

Terrorists live by a philosophy that rejects the democratic process and their motivation is fundamentally at odds with the rule of law. Acts of terrorism attack the very fabric of Canada's democratic ideals.

In the post-9/11 environment, the Canadian public expects law enforcement to adopt a proactive posture in order to disrupt terrorist plots before attacks occur. The goal of the Anti-terrorism Act was to prevent terrorist acts before they take place.

We must never become complacent. Canada is in no way immune to radicalization and its potential for violence. One example of homegrown violent extremists here in Canada is the Project OSAGE investigation, better known to many Canadians as the Toronto 18 cases. This investigation led to the arrest of 18 individuals in the summer of 2006. Zakaria Amara, one of the leaders of the Toronto 18, planned what he called the "Battle of Toronto," in which truck bombs would be detonated in the downtown area, destroying the Toronto Stock Exchange and CSIS regional office, causing multiple deaths and injuries. Another bomb would have been detonated at Canadian Forces Base Trenton.

While the terrorism threat continues, it is also evolving and transforming in ways that present new challenges. Another area of increasing concern and focus for this government is the recruitment of Canadians by terrorist groups who urge them to travel overseas to fight and engage in terrorist activity. These young people may not have any links or connections to terrorist groups or activities and may, in fact, be acting alone.

Honourable senators have likely heard of recruiting efforts by groups like Al-Shabab, a terrorist group operating in Somalia. Al-Shabab has one of the most effective Internet recruitment programs developed by extremist groups. It uses the Internet to encourage young people, including young Canadians, to leave their homes to engage in terrorist activities in Somalia and provides training for them in Somalia.

In response to this phenomenon, this bill proposes to create new substantive offences of leaving Canada or attempting to leave Canada to commit various existing terrorism offences. It would now be a specific offence to leave Canada or attempt to leave Canada to: (a) participate in any activity of a terrorist group; (b) facilitate a terrorist activity; (c) commit an indictable offence for the benefit of a terrorist group; and (d) commit an indictable offence that is also a terrorist activity.

The offence of leaving Canada or attempting to leave Canada to participate in any activity of a terrorist group would carry a maximum penalty of 10 years imprisonment. The other new offences would carry maximum penalties of 14 years imprisonment.

As noted previously, the horrific nature of terrorism requires a proactive and preventive approach. These new offences will allow law enforcement to continue to intervene at an early stage in the planning process to prevent terrorist acts from being carried out. The new offences would send a strong deterrent message, would potentially assist with threat mitigation and would make available a higher maximum penalty than would otherwise apply.

In addition to the creation of these new offences, the bill proposes an amendment to the harbouring offence, currently found in section 83.23 of the Criminal Code, to change the maximum penalty from 10 to 14 years where the applicable terrorist activity constitutes a terrorism offence for which the person is liable to imprisonment for life. In all other cases, the maximum personality for section 83.23 would remain 10 years. A similar change would be made to section 21 of the Security of Information Act, which is the offence of harbouring or concealing someone who commits an offence under the act.

This change would bring section 83.23 of the Criminal Code in line with the general accessory-after-the-fact provisions in section 23 of the Criminal Code. Currently, the accessory-after-the-fact provisions in the Criminal Code state that if a person aids another person who has committed an offence that has a maximum punishment of life imprisonment, then the person who is the accessory can be liable to receive a maximum penalty of 14 years.

In addition to these Criminal Code amendments, the bill seeks to re-enact, but with more safeguards, the investigative hearing and recognizance-with-conditions provisions that expired

pursuant to a sunset clause in March 2007. Since their expiry, three attempts have been made to re-enact these provisions. This is the fourth. The first two attempts died on the Order Paper due to the dissolution of Parliament. In September 2010, Bill C-17 received second reading in the House of Commons, was considered and amended by the House of Commons Standing Committee on Public Safety and National Security, and was reported back to the House of Commons in March 2011. However, it, too, died and the Order Paper with the dissolution of Parliament last March.

These amendments in Bill S-7 are exactly the same as proposed in the former Bill C-17 as introduced on April 23, 2010, in the previous Parliament. These proposals would be in keeping with some recommendations of the 2006 interim report of the House of Commons Subcommittee on the Review of the Anti-terrorism Act and the 2007 report of the Special Senate Committee on the Anti-terrorism Act and would include the Senate amendments made to the former Bill C-17's predecessor, Bill S-3, in the Thirty-ninth Parliament.

• (1510)

Honourable senators, the investigative hearing and the recognizance with conditions generally focus on the proactive intervention in and prevention of a terrorism offence or a terrorist activity.

As to the investigative hearing, the bill proposes creating a power to require individuals who may have information about a terrorism offence that has been or will be committed to appear before a judge for an investigative hearing. The objective is not to prosecute an individual for a Criminal Code offence but rather to gather information. It is significant to note that, as a safeguard, any information obtained in this context cannot be used for self-incrimination of the witness.

Under the provision, a peace officer, with the prior consent of the appropriate Attorney General, can apply to a superior court or a provincial court judge for an order for the gathering of information under the following conditions: if there are reasonable grounds to believe that a terrorism offence has or will be committed; if there are reasonable grounds to believe that information concerning the offence or the whereabouts of a suspect is likely to be obtained as a result of the order; and if reasonable attempts have been made to obtain such information by other means.

If granted, such a court order would compel a person to attend a hearing to answer questions on examination and could include instructions for the person to bring along anything in his or her possession.

In addition, proposed section 83.28 states that any person ordered to attend an investigative hearing is entitled to retain and instruct counsel at any stage of the proceedings. The person will be required to answer questions but may refuse to do so on the basis of laws relating to disclosure or privilege. The presiding judge will rule on any such refusal. The investigatory hearing provision survived a Supreme Court constitutional challenge in the 2004 reference, re Application, pertaining to the Air India prosecution. The court held that the investigative hearing was not inconsistent with an individual's absolute right to silence and the right against self-incrimination.

The court noted the specific protections governing use and derivative use immunity as an important safeguard in the original legislation.

Proposed section 83.29, which remains substantially similar to the earlier provisions, states that a person who evades service of the order, is about to abscond, or fails to attend an examination may be subject to arrest with a warrant. However, proposed subsection 83.29(4) adds that section 707 of the Criminal Code, which sets out a maximum period of 90 days detention for witnesses who are arrested in order to ensure their attendance in court — such as in the case of an absconding witness — also applies to individuals detained for a hearing under proposed section 83.29. This makes crystal clear that there is a limit to the period of time for which a person can be detained pursuant to the warrant.

Proposed section 83.3 is designed to re-enact the recognizance with conditions, which aims to disrupt, at a nascent stage, a potential terrorist attack. Under this section, with the prior consent of the appropriate Attorney General, a peace officer may lay an information before a provincial court judge if he or she believes, on reasonable grounds, that a terrorist activity will be carried out and suspects, on reasonable grounds, that the imposition of a recognizance with conditions or the arrest of a person is required to prevent it. This second criterion is not one of mere suspicion; it is one of "suspects on reasonable grounds." In other words, this standard is higher than just a mere hunch.

That judge may order the person to appear before any provincial court judge, whereas the original version of this subsection stated that the judge may order the person to appear before him or her. This change is similar to one suggested by the House of Commons subcommittee during the parliamentary review.

There are only two situations in which a peace officer may arrest the person without or warrant to bring the person before a judge to have the judge decide if the recognizance with conditions should be imposed: first, where the grounds to lay an information exist but there are exigent circumstances; or second, where an information has been laid and a summons has already been issued, but the person has not yet appeared before the court. In both cases, the peace officer must suspect, on reasonable grounds, that the detention of the person in custody is necessary to prevent a terrorist activity.

Such a detained person must then be brought before a provincial court judge within 24 hours or as soon as feasible thereafter. At that time, a show cause hearing must be held to determine if the person should be released or detained for a further period of time. This hearing itself can be adjourned only for a further 48 hours.

As well, the bill contains an important amendment that was made by the Special Senate Committee on the Anti-terrorism Act when it examined former Bill S-3. The committee deleted the

words "any other just cause and, without limiting the generality of the foregoing" that were present in the original wording of paragraph 83.3 (7)(*c*) of the Criminal Code in order to bring this provision into line with the Supreme Court of Canada's decision in *R. v. Hall* in 2002. In that decision, the Supreme Court struck down a section of the Criminal Code with similar wording in the bail context as a violation of sections 7 and 11(*e*) of the Charter.

If the judge determines that there is no need for the person to enter into a recognizance, the person is to be released. If it is determined that the person should enter into a recognizance, the person is bound to keep the peace and respect other reasonable conditions for up to 12 months. If the person refuses to enter into such a recognizance, the judge can order that person to be imprisoned for up to 12 months. This penalty is comparable to the penalty for other peace bonds.

Honourable senators, some have maintained that these tools are not necessary since they were never used after they were created in 2001. However, just because they were not used before does not mean they are not needed now.

As well, one can take comfort in the fact that, based on past experience with the previous provisions, law enforcement officials demonstrated caution and restraint in the use of these provisions.

Honourable senators, another criticism has been that the recognizance with conditions provision is unnecessary because other Criminal Code provisions could be used instead, especially the police power, under subsection 495(1)(*a*) of the Criminal Code, to arrest, without warrant, someone who is about to commit an indictable offence. This view fails, however, to appreciate the purpose of the recognizance with conditions provision. This tool is designed to disrupt the planning of a terrorist activity at an early stage.

An example of this is where law enforcement have information that a terrorist activity will be carried out, but they do not have reasonable grounds to believe that a person is about to commit an indictable offence, even though they may have a reasonable suspicion that the person is involved in planning the terrorist activity.

In situations such as this, a peace officer may lay an information before a judge if he or she believes, on reasonable grounds, that a terrorist activity will be carried out and suspects, on reasonable grounds, that the imposition of a recognizance with conditions on a person or the arrest of the person is necessary to prevent the carrying out of the terrorist activity.

The bill also proposes changes to the Canada Evidence Act. Pursuant to section 38.13 of this act, the Attorney General of Canada can personally issue a certificate prohibiting the disclosure of information for the purpose of protecting information obtained in confidence from, or in relation to, a foreign entity, as defined in subsection 2(1) of the Security of Information Act or for the purpose of protecting national defence or national security.

The House of Commons Subcommittee on the Review of the Anti-terrorism Act, in its final report in 2007, recommended reducing the duration of this certificate. Thus, in response to recommendation 35 of the subcommittee's report, Bill S-7 proposes that the duration of the Attorney General's certificate be reduced from 15 years to 10 years. The certificate may be reissued by the Attorney General of Canada, pursuant to subsection 38.13(9).

As well, the Attorney General of Canada may issue a fiat to take over any prosecution where sensitive or potentially injurious information, as defined in the Canada Evidence Act, is involved. The House subcommittee recommended that the Canada Evidence Act be amended to require the Attorney General of Canada to table, in Parliament, an annual report on the usage of the fiat and certificate provisions.

In the government response to the House of Commons Subcommittee on the Review of the Anti-terrorism Act, the government signaled its acceptance of this suggestion, with a view to enhancing transparency, and is now following through with the inclusion of legislative provisions in this bill that would implement this recommendation. To date, neither the certificate nor the fiat has been used.

• (1520)

Finally, it is proposed that amendments to the Canada Evidence Act be made in order to reflect the judgment of the Federal Court in the case of *Toronto Star Newspapers Ltd. v. Canada* which was released on February 5, 2007. In this case the court took the remedial action of reading down certain provisions so that the mandatory confidentiality requirement applies only to the *ex parte* hearings under the regime.

In a further effort to enhance transparency and respect the open court principle, these proposals would seek to amend the Canada Evidence Act to allow the Federal Court to order that applications to it with respect to the disclosure of sensitive or potentially injurious information could be made public, although they would also allow the court to order that hearings related to those applications be heard in private.

Honourable senators, I should note that the bill also proposes a number of technical amendments, some of which respond to recommendations of the 2006 and 2007 reports of the Parliamentary Review of the Anti-terrorism Act.

The Government of Canada has no more fundamental duty than to protect the personal safety of our citizens and to defend against threats to our national security. Let me close by urging all honourable senators to support this bill and, in doing so, to contribute to the safety and security of Canadians.

[*Translation*]

Hon. Roméo Antonius Dallaire: I have a question for Senator Frum if she still has enough time.

[*English*]

Very good. I am not sure whether the honourable senator is of a legal background or not.

Senator Frum: Fortunately or unfortunately, I am not.

Senator Dallaire: Then this will be quite an extraordinary experience: a soldier and a non-legal person handling the Criminal Code. It will be in good hands, I am sure.

In the honourable senator's presentation, it was the premise that this bill will be a tool to prevent terrorism acts. It is a proactive instrument, of which we have very few, in the defence of the nation. We are often reactive.

I believe this is very much in line with the new concept of intelligence-based policing that has been introduced. When I sat on the National Police Services Advisory Board with Chief Justice Antonio Lamer and Minister Fantino, we went through a lot of the needs to meet that intelligence-based policing. It is there to try to prevent crimes from happening, versus simply reacting to them. There is a very positive synergy there.

There is also the concern of national security and individual rights of the citizen, and that balance in the tools put in the hands of government. In so doing, it comes down to the question of the threat and if it requires such a tool to ensure our security.

Can the honourable senator tell me, even with the new strategy published by the government this month, whether or not she has had access to the classified threat assessments? Has any parliamentarian, either in the other place or here, had access to these classified intelligence sources in order for us to be able to take at least the first step of any operation in which we might have to use force which is an analysis of the intelligence threat? Does the honourable senator have access to that, in particular? If not, does she not think it would be a fundamental requirement in order to make an assessment of this that we get access to it and that we are given new powers to have access to classified information in order to perhaps oversee the intelligence structure of this nation by parliamentarians?

Senator Frum: I thank the honourable senator. I look forward to working with him on this.

No, I do not have access to that classified information. Frankly, as a regular citizen reading the newspaper, I am aware everyday that somewhere in this world there are terrorist activities that are going on and there is no reason to assume that Canada will be exempt from these.

As I mentioned in my lengthy speech, we know these provisions are preventive and proactive provisions that have never been used when they were in place before. They are just a form of an insurance policy so that if something extraordinary happens, then law enforcement has the tools at their hands to use if necessary. One has to be able to prevent and anticipate that something could happen. That is what these provisions are there to do.

Senator Dallaire: Following on that, Bill C-17 has been reshaped and the honourable senator has gone through the history of this bill. I think it is worthy that we do bring it to the fore, but there is a whole new angle to it: the recruitment of Canadians who might go overseas and participate in terrorism activities, being training camps or being equipped to conduct terrorism acts overseas or maybe to come back with those skills. We are aware that there has been recruitment going on. The honourable senator has used an example, and the recruitment is being done on youths under the age of 18.

Where does the honourable senator think we will be able to balance the Optional Protocol on the involvement of children in armed conflict to the Convention on the Rights of the Child, the definition of a terrorist, and the provisions of our Youth Criminal Justice Act which might be affected by this bill? Does she see those things being brought together in what she has been reading so far?

Senator Frum: There is no specific provision for that in this bill, as the honourable senator knows. I am sure it is something we will spend a lot of time talking about in committee.

[*Translation*]

Senator Dallaire: I am eager to have the opportunity to thoroughly examine these issues in committee. We must take the time required to do so in order to ensure that we have a useful tool that does not infringe on individual rights.

[*English*]

The Hon. the Speaker: Senator Jaffer had a question, and then maybe we will take the adjournment.

Hon. Mobina S. B. Jaffer: Honourable senators, I have a question for the honourable senator. I want to thank her for her second reading presentation. I listened to her very carefully and I can say with a lot of confidence that there is no one in this chamber who does not want to keep our country safe. That is obviously the foremost thing in all our minds.

I was also struck by how the honourable senator spoke about keeping, if I am not mistaken, all Canadians safe. That is also my concern, as it is hers, but we are very much aware — certainly with the Toronto 18 — that we do have homegrown terrorists. That is something we have to work toward because obviously they are Canadians and we have to find a way to reach out to them.

I have not had the privilege of studying the bill as well as the honourable senator has, so may I ask her if there is a balance trying to be reached in this bill that balances the rights of all Canadians?

Senator Frum: Yes, one of the major focuses of this bill is actually on Canadians who are leaving Canada to commit terrorism offences elsewhere. We have an international responsibility to do what we can to implement measures that will not just prevent terrorism attacks from happening here and injuring our own citizens, but injuring anyone around the world. That is the primary focus of this legislation, to answer to our responsibilities to the rest of the world.

Senator Jaffer: The honourable senator and I, and everyone here, are very much aware — it is not something we are not proud of — that mainly young men are joining Al-Shabab and going to Somalia. We are all aware of it.

• (1530)

I have had the opportunity to speak to some of these young men in Kenya when they arrive from Canada. I have asked them why they would leave our great country and do what they are doing. One of the things they said was that they have not felt included in our great country's fabric. However, I have not had the opportunity to study the bill as well as the honourable senator has, and I have not had the opportunity to hear from officials as she has, so I ask her once again if there is a balance in this bill. Yes, we have to protect our citizens, but to protect them we have to ensure that all our citizens feel a part of this country. Is there a balance in this bill, or is it all about instituting anti-terrorism policies?

Senator Frum: I would have to say that it is all about instituting anti-terrorism policies. Other kinds of societal programs, such as education and outreach, are not within the scope of this bill.

(On motion of Senator Dallaire, debate adjourned.)

INVOLVEMENT OF FOREIGN FOUNDATIONS IN CANADA'S DOMESTIC AFFAIRS

INQUIRY—DEBATE CONTINUED

On the Order:

> Resuming debate on the inquiry of the Honourable Senator Eaton calling the attention of the Senate to the interference of foreign foundations in Canada's domestic affairs and their abuse of Canada's existing Revenue Canada Charitable status.

Hon. John D. Wallace: Honourable senators, I rise today to speak to the inquiry of my colleague, Senator Eaton, on the interference of foreign foundations in Canada's domestic affairs and their abuse of Canada's existing Revenue Canada Charitable status.

Honourable senators, having reviewed and given serious consideration to the matters raised by Senator Eaton's inquiry, I must say that I have great concern over what I consider to be a serious and significant deficiency or gap in the current tax laws that govern registered charitable organizations. This gap or deficiency directly concerns the current public disclosure requirements, or, more to the point, the absolute total lack thereof, that relates to both the source and the amounts of financial donations that are able to be made by a foreign foundation to a Canadian registered charitable organization for the purpose of funding that charity's political activities. I will explain further, and hopefully the following information will be of assistance to honourable senators.

Under the mandate of the Canada Revenue Agency, the federal Income Tax Act requires charities to be registered in order to maintain their tax exempt status. As I know all honourable senators are well aware, the Income Tax Act also provides specific tax incentives for both individuals and corporate donors who make gifts and donations to registered Canadian charities. The payment of these charitable donations to registered charities effectively reduces the amount of tax that would otherwise be payable by the taxpayer in that taxation year, whether in the form of a refundable tax credit for an individual donor or a charitable donation tax deduction from taxable income for a corporate donor. In either case, because both refundable tax credits and charitable donation tax reductions have the effect of reducing the amount of tax the taxpayer in question would otherwise be required to pay to Revenue Canada, the direct consequence is that all such deductions in income tax that would be otherwise payable effectively represent the amount of financial support that the federal government is providing on behalf of the taxpayers of this country to support the charitable activities of the particular charity in question.

Consequently, since Canadian registered charitable organizations are actually being funded both directly and indirectly by the general public, that is, the Canadian taxpayer through individual private donations as well as the federal government's charitable tax incentives, I strongly believe that all Canadian citizens have a direct vested interest in the operations and activities of these Canadian charitable organizations.

Honourable senators, to assist you in better understanding the relationship that currently exists between registered Canadian charities and their activities, including the provision of funding from foreign foundations, I will provide a brief overview of some of the requirements and restrictions that relate to "Canadian registered charities, charitable organizations, charitable purposes and activities" as well as what is known as "other permitted related activities," which do include — and I repeat, do include — within prescribed limitations certain permitted "political activities" by our Canadian registered charities.

I will begin with what is meant by the term "charity." "Charity" is defined in the Income Tax Act as "charitable organization" or "charitable foundation." A charitable organization as regulated by the Canada Revenue Agency must have "exclusively charitable purposes" and devote all of its resources to what is referred to as charitable activities in support of those purposes. In the context of Senator Eaton's inquiry, and more specifically in respect of what Revenue Canada considers to be charitable purposes and charitable activities, the term "charitable" is not defined in the Income Tax Act. Instead, the common law, or decided case law, has determined that for purposes and activities to be considered charitable, they must fall within one or more of the following categories: first, the relief of poverty; second, the advancement of education and/or religion; and third, purposes that would be "beneficial to the community" and that do not fall within any of the preceding categories. Examples of these purposes beneficial to the community include relieving a condition associated with aging, preventing and relieving sickness, providing public amenities or providing counselling for people in distress.

Honourable senators, I realize that this discussion about definitions of charitable and charitable purposes and activities not only seems to be but is, in fact, more than somewhat tedious. However, I believe it is important that each of us has some basic understanding of what Canadian registered charitable organizations are permitted to do, particularly regarding their potential participation and involvement in "political activities," to which I will speak more in a moment.

It is also important to appreciate that a Canadian registered charitable organization, within certain permitted limits, may be involved with "other activities." However, these other permitted activities must relate directly to that particular charity's registered charitable purpose and be a reasonable means of achieving it. These other related activities include such things as business and social fundraising activities and, of particular note for the purpose of Senator Eaton's inquiry, political activities. For all honourable senators to have an informed understanding of the potential interplay between these political activities of Canadian registered charitable organizations and the activities and provision of funding to these organizations by foreign foundations, one of the key questions to be answered is this: What political activities can a Canadian registered charitable organization be involved in that would not be contrary to the existing requirements of the Canada Revenue Agency?

The Income Tax Act has established limits on the legally permissible political activities of charitable organizations. Specifically, these political activities must be nonpartisan and connected and incidental to the registered charitable purpose of the charitable organization in question, and the organization must devote what is referred to as "substantially all of its resources" to its registered charitable purpose.

• (1540)

Furthermore, in this regard, honourable senators, political activities undertaken by Canadian registered charitable organizations must not include direct or indirect support of or opposition to any political party or candidate for public office.

Perhaps the most widely accepted definition of political purposes that are not considered charitable is contained in the leading 1981 case of *McGovern v. Attorney General*, which refers in this regard to a direct and principal purpose that is either to further the interests of a particular political party or to procure changes in the laws of the country or to procure a reversal of government policy or particular decisions of governmental authorities in this country. Once again, these are political purposes that are not to be considered charitable.

Additionally, honourable senators, Canadian courts will not characterize an entity as a charitable organization or permit it to maintain its charitable status under the Income Tax Act if a substantial part of the charity's activities are devoted to political purposes — I repeat, a substantial part of a charity's activities.

Another question that needs to be addressed is what are the monetary limits, if any, that can be spent by a Canadian registered charitable organization on political activities that are considered permissible by Revenue Canada?

These monetary limits and the conditions attached to these limits are set out in Canada Revenue Agency Policy Statement CPS-022. To summarize briefly, they are as follows: When a charity takes part in political activities and, as previously stated, the Income Tax Act does require that substantially all of its resources must be devoted to charitable activities. The term "resources" is not defined in the act but is considered by Revenue Canada to include the total of a charity's financial assets, as well as everything the charity can use to further its purposes such as staff, volunteers, directors and its premises and equipment.

In this regard, honourable senators, it becomes very apparent that, in respect of any particular registered charitable organization, the dollar value of its resources can be considerable indeed.

Revenue Canada normally considers "substantially all of its resources" to mean 90 per cent or more. Therefore, as a general rule, a charitable organization that devotes no more than 10 per cent of its total resources a year to political activities is generally considered to be operating within the "substantially all" requirement. Smaller charities with annual incomes of less than $200,000 can, on a sliding scale, devote from between 12 to 20 per cent of their resources to permissible political activities.

Canadian charities are able to receive donations from non-resident individuals and non-resident charities.

Furthermore, Canadian charities and private and public foundations are required to report on their annual information return to Canada Revenue Agency any donations or gifts of any kind that are valued at $10,000 or more and are received from any donor not resident in Canada.

Honourable senators, currently there are no limitations regulating the amounts a Canadian registered charitable organization can accept in the form of donations from foreign foundations. All such donations received from foreign foundations are nowhere to be found on any record that is publicly accessible in this country. There is currently no public disclosure requirement in this regard. There is absolutely no public transparency.

Under current Canadian law, substantial financial donations can be provided by foreign corporations to a Canadian registered charitable organization in order to fund permissible political activities of that particular charity and, as a consequence, thereby directly influence the domestic public affairs of this country. To think that all of this can presently occur with the foreign foundation's involvement being entirely removed from any public scrutiny or knowledge, honourable senators, is totally unacceptable.

Some Hon. Senators: Hear, hear!

Senator Wallace: In any given year, a foreign foundation could effectively provide the entire political activities funding requirement of a Canadian registered charitable organization and, as I stated previously, the total amount of this political activities funding could be up to 10 per cent of the total dollar amount of a charitable organization's total resources, which could be a considerable amount indeed.

I submit to you, honourable senators, that all Canadian citizens have the right to know, and even more than that, must have the opportunity to know, the extent of the potential involvement by foreign foundations in the financial affairs of Canadian registered charitable organizations. Only then will all Canadian citizens be in a position to pass their own personal, independent judgment on the nature and extent of the political activities and motives of Canadian registered charitable organizations and the foreign foundations that provide them with financial support.

Honourable senators, the Canadian public, the Canadian taxpayer, is entitled to absolutely nothing less.

(On motion of Senator Tardif, for Senator Mitchell, debate adjourned.)

[*Translation*]

PRIVATE MEMBERS' BILLS

INQUIRY—DEBATE CONTINUED

On the Order:

> Resuming debate on the inquiry of the Honourable Senator Greene, calling the attention of the Senate to the modernization of the practices and procedures of the Senate Chamber with a focus on private members bills.

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, the debate on this inquiry is at day 15. However, important aspects of Senator Greene's speech must be addressed. Consequently, I move the adjournment of the debate for the remainder of my time.

(On motion of Senator Carignan, debate adjourned.)

[*English*]

EUTHANASIA AND ASSISTED SUICIDE

INQUIRY—DEBATE CONTINUED

On the Order:

> Resuming debate on the inquiry of the Honourable Senator Champagne, P.C., calling the attention of the Senate to euthanasia and assisted suicide.

Hon. Terry Stratton: If I may, honourable senators, I would like to speak to this, but I just have not had the time. I have other things in my life right now that I would prefer to do. I would ask, very gently, permission from you to adjourn for the balance of my time.

(On motion of Senator Stratton, debate adjourned.)

• (1550)

DOHA DEVELOPMENT ROUND

INQUIRY—DEBATE SUSPENDED

Hon. Mac Harb rose pursuant to notice of December 6, 2011:

> That he will call the attention of the Senate to the importance of Canada playing a proactive role in bringing about the successful conclusion to the Doha Development Round.

He said: Honourable senators, 10 years ago, the launch of the WTO Doha Development Round was big news around the world. Its goal was to reform the way the global trading system worked, leveling the playing field for developing countries by giving them better access to developed countries' markets. Today the world's poorest nations are still waiting for any substantive progress on those important promises.

At the WTO ministerial conference in Geneva this past December, trade ministers acknowledged that the Doha negotiations were at an impasse. This is sobering news as the world struggles to drag itself out of the worst financial crisis in almost a century. Growing tensions between have and have-not countries are now matched by the similar tensions amongst the have and have-not classes within even the richest countries. The Occupy movement was born out of those tensions.

By failing to advance the Doha Round, we are failing the world's poorest countries that are caught in a hopeless poverty trap, leaving the door open to a potential global crisis.

As honourable senators may be aware, the Doha Development Round's goal was to stimulate growth, opportunity, and wealth in developing countries through trade facilitations. However, disagreements between the developed and developing nations have stalled the talks, with a series of attempts to revive the round ending, so far, in failure. Over the past 10 years, the WTO's traditional consensus-building process has been severely limited by the increasing number of players and the growing complexity of the items on the table.

At the Geneva ministerial meeting in July 2008, the Doha Round came close to an agreement on tariff cuts for industrial goods and agricultural products, and a comprehensive package of farm reform in developed countries. This package would have gone further than any other previous multilateral trade agreement, but the 2008 ministerial meeting broke down over a disagreement between the exporters of agricultural bulk commodities and countries with large numbers of subsistence farmers. At the time, a strong effort was made to reduce the levels of trade-distorting subsidies that rich countries provide to their farmers. Those policies were boosting the incomes of farmers in rich countries at the expense of farmers in developing countries who faced suppressed global prices and having to compete without the benefit of subsidies.

The British Fairtrade Foundation put out a report last year showing that the $47 billion U.S. in subsidies paid to most developed countries' producers in the past 10 years have created barriers for the 15 million cotton farmers across West Africa trying to trade their way out of poverty. It also reported that five million of the world's poorest farming families have been forced out of business and into deeper poverty because of those subsidies. We hear of farmers in the poorest countries forced to sell their cows because they simply cannot compete with the low prices of the subsidized Western milk that is flooding their markets.

It is not just the dairy farmers; other commodity subsidies add to global food prices, dampening incentives for developing countries to invest in agriculture.

It was not surprising that in 2008, within weeks of the subsidy-laden farm bill passing in the United States, the Doha Round collapsed, and it has been on life support every since.

The WTO has also failed to clarify the ambiguous rules on concluding trade agreements, and this ambiguity puts the poorest countries at a disadvantage. In Africa, in negotiations with the EU, for example, countries have been forced to eliminate tariffs on up to 90 per cent of their trade because no clear rules exist to protect them.

Not only are the least developed countries suffering as a result of outdated WTO rules, but a study by the International Food Policy Research Institute estimated that if all WTO members were to raise their applied tariff on goods to the maximum level currently allowed under WTO rules, world income would fall by US$353 billion.

Even in a more conservative scenario in which all countries only raised their tariff to the highest level they have applied since 1995, the loss to the global output would be US$134 billion.

However, if we can find what it takes to move this deal forward and reduce those tariffs, the European Commission reports that world exports could rise by more than half a trillion dollars a year, lifting global economic growth by 0.2 per cent.

Therefore, getting the Doha Round done would be a win-win for global trade in developed and developing countries alike, but still we wait.

While we wait, the lack of progress on the multilateral level has caused the trading focus to shift from Geneva to individual capitals. We now see more and more governments concluding bilateral and regional trade and investment agreements. Canada is one of those countries, with a high-profile Canada-EU deal in the works, ongoing trade talks with India and, more recently, an expressed interest to join the Trans-Pacific Partnership trade talks with the United States, Australia, New Zealand, and other Asian countries, to name only a few.

Canada is not alone. In fact, since 2001, the United States has signed trade agreements with Australia, Bahrain, Chile, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Morocco, Oman, Peru, Singapore — and the list goes on. In the same period, the European Union has done similar deals elsewhere.

All to say that because of the lack of trust in the multilateral trading system, we are moving to bilateral and regional trading systems. When U.S. President Obama made a commitment late last fall to the Trans-Pacific Partnership trade agreement, European business leaders stepped up to ask for a similar initiative across the North Atlantic to spur economic growth and create jobs. While the WTO encourages bilateral trade agreements, WTO members may be worrying if the United States and the EU are starting talks on bilateral pacts.

Washington and Brussels have given up on the Doha Round. Indeed, the flood of bilateral deals appears to be a sign that the world is turning away from the development commitments of the Doha Round and the needs of our poorest neighbours in the process.

This trend raises some serious concerns. Statistics show that over the years the Doha Round has been stalled, the least developed countries have sunk deeper and deeper into trade deficit. For example, statistics show that Ethiopia sunk from a trade deficit of US$1.1 billion in 2002 to a $5.79 billion deficit in 2010.

At the same time, the world's richest countries have prospered with growing trade surpluses. Germany's surplus, for example, rose in the same period from US$121 billion to US$217 billion in 2010. In Japan, surplus climbed to more than $128 billion from $92 billion in 2002.

Another impediment to the talks is that more issues are being put on the table, issues that do not directly relate to the original development aspects of the Doha Round. The South African minister of trade recently noted in a statement:

> . . . that the US and others have now put forward a whole set of new proposals to move away from development mandate . . . and instead want new issues — climate change, energy, investment . . . which threaten to shift attention to these issues which have a greater appeal to developed countries than developing countries.

[*Translation*]

We simply have to understand that we are teetering on the brink if we fail to make real progress. Economists around the world have been sounding the alarm. In a report produced this past April, Richard Baldwin, professor of international economics at the Graduate Institute of Geneva and Simon J. Evenett, professor of international trade at the University of Gallen in Switzerland, have done their best to highlight the perils of further delay. They argue that failure on the Doha Development Round could result in, first, an undermining of the WTO dispute settlement mechanism; second, an advance of regionalism that will fill the vacuum left by the WTO's inability to make progress, thus further undermining the WTO's centricity in global trade governance; third, a rise of protectionism that will almost certainly be encouraged by an erosion of the WTO authority; fourth, a blow to least developed nations for whom the Doha package would have provided important gains; and fifth, a blow to agricultural exporters who were counting on Doha to rebalance the world's treatment of industrial and agricultural goods.

Honourable senators, we are already seeing the impact of this sustained imbalance in countries around the world: the erosion of the middle class and higher unemployment. There is a dangerous trend. Economic migration from least developed countries to developed countries is creating pressure on the system and depriving developing countries. . .

[*English*]

The Hon. the Speaker: Honourable senators, pursuant to the order adopted by the Senate, it being 4 p.m., I will have to declare the Senate continued. I remind the Honourable Senator Harb that his inquiry remains standing on the Notice Paper and that he has another five minutes when we call that item again.

Honourable senators, I declare the Senate continued until Thursday, March 1, 2012, at 1:30 p.m.

(Debate suspended.)

(The Senate adjourned until Thursday, March 1, 2012, at 1:30 p.m.)

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