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OFFICIAL REPORT
(HANSARD)

Monday, December 10, 2018

The Honourable GEORGE J. FUREY,
Speaker

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

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THE SENATE

Monday, December 10, 2018

The Senate met at 6 p.m., the Speaker in the chair.

Prayers.

SENATORS' STATEMENTS

INTERNATIONAL HUMAN RIGHTS DAY

Hon. Wanda Elaine Thomas Bernard: Honourable senators, I rise today to recognize the seventieth anniversary of the Universal Declaration of Human Rights. All human beings are born free and equal in dignity and rights. Today, I stand up for equality and freedom from discrimination for all people.

As senators, we must advocate for human rights and enact real change through our recommendations and policies.

Many people face discrimination solely based on their identity. This includes race, ancestry, country of origin, accent, gender, gender identity, age, sexual orientation, disability, religion and any intersections between these identities.

Through the Senate Human Rights Committee, we have heard from people about national and international issues of discrimination and injustices with many themes of intersecting identities woven throughout the narratives.

To observe Human Rights Day, the committee held a hearing on December 5 to assess the progress in standing up for equality, justice and human dignity.

From Robyn Maynard we heard of systemic racism faced by people of African descent that materializes in the justice, education and child welfare systems from .

Cheryl Knockwood reported that Indigenous nations are in a state of crisis, and their human rights are not being upheld.

Alice Kim used her voice to advocate for North Koreans who seek a life of freedom. She bravely advocated for action from the Canadian government.

Marie-Claude Landry reported on the recent increase in hate crimes through the Canadian Human Rights Commission.

Honourable colleagues, these are only a few of the human rights violations that continue to occur. As we mark the seventieth anniversary of the Declaration of Human Rights, we are reminded that we must continuously stand up for these fundamental rights. It is not enough to listen to the news and shake our heads as we hear about the latest hate crime or family torn apart. Let us uphold our commitment to advocate for Canadians and protect people beyond our borders who are pursuing a life of free from discrimination.

Honourable senators, silence is not an option. We must all use our voices to #StandUp4HumanRights. Thank you.

Hon. Salma Ataullahjan: Honourable senators, I rise today on Human Rights Day and in celebration of the seventieth anniversary of the Universal Declaration of Human Rights to speak on the right of education for refugee children and youth.

The right to education is not a privilege, but a human right guaranteed under article 26 of the Universal Declaration of Human Rights, as well as numerous other international instruments.

UNHCR reports that wars, conflict and persecution have forced more people than at any other time in history to flee their homes and seek safety and refuge elsewhere. Currently, there are 68.5 million forcibly displaced people around the globe. Over 50 per cent of those displaced are children and youth.

Given that the average time a refugee is away from their home country is between 10 and 17 years, millions of children and youth are in danger of going without adequate or any education for most of their childhood and adolescent years.

Despite efforts of international organizations, lack of access to education for refugees has reached a crisis, in particular at the secondary levels and in education for girls. To make matters worse, the amount of humanitarian aid allocated to education has been falling for six straight years. One example, Rohingya children in refugee camps are currently being denied the chance of a proper education.

In this regard, UNICEF has reported that if an investment is not made in education now, there is a significant danger of seeing a lost generation of Rohingya children who lack critical skills needed to deal with their current situation and contribute to their society in the future.

Education provides a way out of poverty and a pathway to a prosperous and empowered future. While food, shelter and health care are indispensable, education must be elevated to the next priority on the list.

Education helps protect refugee children and youth from forced labour, being trafficked for prostitution, forced into marriage or recruited into combat. As we know, these dangers are rampant in refugee camps. Attending school also helps keep track of youth and children in the camps.

The former UN High Commissioner for Refugees has said that:

> In the devastating context of global conflict and displacement, education gives hope to refugee children and youth to envision and build a secure future.

Honourable senators, as it current stands, only 2.7 per cent of international humanitarian aid is allocated to education.

Therefore, achieving education for all refugee children and youth will require a global commitment to find additional innovative ways to ensure that refugee boys and girls around the world attain their inalienable human right to education. Thank you.

Hon. Kim Pate: Honourable colleagues, I rise today on the traditional unceded and unsurrendered territory of the Algonquin Anishinabe to wish each of you a happy Human Rights Day as we mark the seventieth anniversary of the Universal Declaration of Human Rights and, yesterday, the seventieth anniversary of the UN Convention on the Prevention and Punishment of the Crime of Genocide.

Today also concludes the 16 Days of Activism against Gender-Based Violence and the United Nations's year-long campaign, #StandUp4HumanRights, which called on us all to:

> . . . take action for greater freedoms, stronger respect and more compassion for the rights of others.

The UN's statement on the declaration's seventieth anniversary reminds us that, by design, it "empowers us all." The declaration's fundamental premise is that each one of us is entitled to the full range of human rights and that it is everyone's responsibility to defend the human rights of those at risk of discrimination and violence. By so doing, we reaffirm our own humanity.

[*Translation*]

Two years ago, I rose to give my first speech in this chamber. In honour of Human Rights Day, we had undertaken a study on the overrepresentation of Indigenous women in Canadian prisons.

A lot has happened since then.

• (1810)

[*English*]

The horrific statistics I quoted to you in 2016, that 36 per cent of women in federal prisons are Indigenous, now stands at 40 per cent.

Furthermore, the Office of the Correctional Investigator singled out the over-representation of Indigenous peoples in prison in Canada as one of the most pressing human rights issues that this country faces.

Much has happened in these two years, but the underlying and inexcusably increasing marginalization, victimization, criminalization and institutionalization of too many remain appallingly unchanged.

Moreover, as the Honourable Irwin Cotler asserted today, internationally, "2018 has seen an almost unprecedented assault on human rights amidst a culture of impunity."

Honourable senators, we must uphold human rights here in Canada and around the world. On this Human Rights Day, let us join together to continue to work with and for those whose voices are too often not heard, ignored or, worse still, permanently silenced. Thank you, *meegwetch*.

CHRISTMAS WISHES

Hon. Pamela Wallin: Honourable colleagues, the Christmas and holiday season is a time to enjoy special moments with our loved ones, to celebrate with friends and family and to be thankful for all we have. It is a time of joy and sometimes nostalgia, a time to give, both to those we love and those less fortunate, and to take the time to be more involved in our communities.

It is also a time to stop and acknowledge the servicemen and women and first responders who work tirelessly to keep Canadians safe all year long. Not all Canadians have the luxury of spending the holidays with family, especially many of our Canadian Forces. They put their lives at risk to protect us each and every day, both here at home and abroad. There are currently over 100,000 regular, reserve and civilian forces, men and women representing our country. These courageous individuals also protect the freedom of others, our allies, those in need around the world through humanitarian aid, training, capacity building and, of course, security operations.

Our soldiers, sailors, airmen, airwomen and special forces on duty represent our country with honour, respect and the hallmark Canadian values recognized around the globe.

In communities across this country, we are also lucky to have thousands of first responders who keep us, our loved ones, our neighbours and our homes safe. From our police to our paramedics and firefighters, their dedication to public service in their local communities fills myself and Canadians with a very deep sense of pride.

A special thank you and acknowledgment to our Parliamentary Protective Service and RCMP members who not only have our backs day in and day out, but who have become our friends over the years.

While we enjoy this holiday season, let's give thanks to those serving our country and recognize and remember their sacrifice and commitment to keeping us safe. For over 100 years, these men and women have and continue to make our democracy possible.

Honourable colleagues, please join me in wishing our servicemen and women, our vets, our first responders and their families a very merry Christmas, a warm holiday season and a happy and safe new year. And for those in harm's way, we wish them safe home.

[*Translation*]

ROUTINE PROCEEDINGS

ADJOURNMENT

NOTICE OF MOTION

Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate): Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

> That, when the Senate next adjourns after the adoption of this motion, it do stand adjourned until Wednesday, December 12, 2018, at 2:15 p.m.

[*English*]

THE SENATE

NOTICE OF MOTION TO PHOTOGRAPH AND VIDEOTAPE ROYAL ASSENT CEREMONY

Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate): Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

> That photographers and camera operators be authorized in the Senate Chamber to photograph and videotape the next Royal Assent ceremony, with the least possible disruption of the proceedings.

INTER-PARLIAMENTARY UNION

SESSION OF THE EXECUTIVE COMMITTEE OF THE INTER-PARLIAMENTARY UNION AND INTER-PARLIAMENTARY UNION ASSEMBLY AND RELATED MEETINGS, OCTOBER 12-18, 2018—REPORT TABLED

Hon. Salma Ataullahjan: Honourable senators, I have the honour to table, in both official languages, the report of the Canadian Delegation respecting its participation at the 281st session of the Executive Committee of the Inter-Parliamentary Union (IPU), the 139th IPU Assembly and related meetings, held in Geneva, Switzerland, from October 12 to 18, 2018.

[*Translation*]

LEGAL AND CONSTITUTIONAL AFFAIRS

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

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

> That the Standing Senate Committee on Legal and Constitutional Affairs be authorized to meet on Wednesday, December 12, 2018, at 3 p.m., even though the Senate may then be sitting, and that the application of rule 12-18(1) be suspended in relation thereto.

QUESTION PERIOD

NATIONAL REVENUE

CHARITABLE AND POLITICAL DEDUCTIONS

Hon. Larry W. Smith (Leader of the Opposition): Honourable senators, my question is for the Leader of the Government in the Senate and has to do with Bill C-86, an omnibus budget implementation bill. More specifically, it concerns the part of the bill that eliminates the 10 per cent limit on political activities carried out by registered charities.

According to the proposed amendments, charities could spend up to 100 per cent of their resources to influence political decisions before the 2019 federal election.

[*English*]

Shareholder reports of an American-based Tides Foundation boast about the successful influence of the 2015 Canadian election when they provided substantial funding to Leadnow and other third-party groups that altered outcomes in ridings across Canada. The Tides Foundation is also an anti-pipeline and anti-oil sands group seeking to shut down Canada's energy sector.

Senator Harder, why is the government making it easier for groups like the Tides Foundation to spend more money to influence our elections and harm our economy?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question. He will know from the debate we had on the elections bill there are constraints being imposed on third parties, and that is part of the way forward. I hope we in this chamber can endorse this as we deal with the bill during the course of the day.

Senator Smith: By removing the 10 per cent cap, Bill C-86 not only opens the door to greater foreign-funded activism that interferes in our elections and campaigns against our energy sector but to their receiving favourable tax treatment for doing so. This doesn't seem to make any sense whatsoever.

Senator Harder, individual Canadians are limited in the amount they can give in political donations. Why then would the government think it is okay to have no limit for charities?

• (1820)

Senator Harder: Again, as the honourable senator will know, in debate on the budget bill, the sponsor, Senator Pratte, spoke to the matter of charitable funding and the reforms the bill brings in. That ties very well to the approach the government is taking in the elections bill, which provides for further constraints of third-party financing.

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

CHINA—UNITED STATES—DETENTION OF MENG WANZHOU

Hon. Thanh Hai Ngo: This question is for the Leader of the Government in the Senate.

The news that Huawei Chief Financial Officer Meng Wanzhou was recently arrested in Vancouver between flights has made headlines in the news since last week. China itself has told our ambassador that there will be grave consequences if Ms. Meng is not released. If extradited to the United States, Ms. Meng would face charges of conspiracy to defraud multiple financial institutions or for using an official company called Skycom to access the Iranian market between 2009 and 2014, violating U.S. sanctions. She could face a maximum sentence of 30 years for this charge.

Can you tell us how the government will proceed with its extradition treaty obligation with the United States? And how will the government respond to China's threat of retaliation?

Hon. Peter Harder (Government Representative in the Senate): Again, I thank the honourable senator for his question. We are a country of the rule of law, and the extradition process that we have endorsed as a country in our legal regime is unfolding as it should, without political interference and with consequences that will be determined in the courts.

Senator Ngo: Thank you, Senator Harder.

This arrest has escalated into a serious diplomatic spat between the U.S. and China, and now Canada has been caught in the crossfire between the two biggest economies in the world. This is another warning sign against allowing Huawei into Canada's next generation mobile network.

What is the government doing to explain to China that we follow the rule of law here and that the independent judiciary is the highest guarantee to ensure one's human rights, unlike China?

Senator Harder: Senator, I just described that the Government of Canada has made public and private references to our legal obligations, that the extradition treaty is part of our architecture of law, and the case referenced in the question is being dealt with entirely appropriately in accordance with our obligations and Canadian legal practices. That is the message the Government of Canada has given publicly and through other channels.

I do believe that our relationship with China is multi-faceted and is one that allows all parties to our relationship to speak frankly to each other in matters where we have differences of view. That is what the Government of Canada is doing.

FINANCE

FEDERAL FISCAL DEFICIT—ECONOMY

Hon. Leo Housakos: My question is for the Leader of the Government in the Senate and has to do with the fact that his government has made a number of electoral commitments they haven't kept. However, the one I believe has potential to have the most serious impact on Canadians is the deficit.

There was a commitment made by this government in the last election that they would not surpass $10 billion, that it would be managed and balanced by 2019. In a very short period of time, they have more than tripled the deficit and, of course, 2019 is around the corner. Can we have a firm commitment from the government leader as to when they are planning to balance the deficit?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question. It gives me the opportunity to remind him and his colleagues that this government, from its first budget on, has repeated its fiscal anchor of year-over-year reductions in the debt-to-GDP ratio. It is one that I'm happy to report continues to have the lowest overall debt of the G7, and the debt-to-GDP ratio continues to be on a trajectory downwards.

As to the honourable senator's devotion to balanced budgets, it's a devotion that he didn't practise for 10 years.

Senator Housakos: Thanks for the opportunity to point out to the government leader that what we practised was we allowed your government to receive a modest surplus, and we did it under very difficult economic times. As a result, you've been riding that wave. Unfortunately, as we all know in free enterprise, you have ups and downs in the economy. So while you ride this wave and you're bearing the fruits of the labour of the previous government, you have to keep in mind that there might be problems around the corner. This government is running up deficits at the expense of future generations of Canadians. While doing that, I want to point out to the government leader that foreign investment is down almost 50 per cent since 2015 and competitiveness in Canada has also been significantly lowered, while you have raised taxes among small- and medium-sized businesses in this country.

We are in serious debt. The Parliamentary Budget Officer said the budget will not be balanced for decades to come. What will this government do if we are hit with an unexpected recession in the next short while?

Senator Harder: I thank the honourable senator for his question. He references the modest surplus that the last budget of his party provided. He forgot to tell us that we sold a lot of silver to balance that budget and it was, in many respects, a hide-and-seek surplus, which is why it's not taken seriously by any analyst. So let me simply say that the premise of his question is preposterous.

With respect to the question that remains, this government has taken actions that have led to the lowest unemployment rate in 40 years and a GDP growth of 3 per cent. We have had the highest growth in the G7 in the last year. This government has enhanced the fairness of our tax system with the child tax credit.

I could go on and on and I am happy to do so, but I do think where the honourable senator is correct is that at some point in the next year the citizens of Canada are going to have the opportunity to judge whether or not they want the continued, sustainable growth of this government or the misery of the past.

ORDERS OF THE DAY

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, I must interrupt proceedings pursuant to rule 9-6. The bells will ring to call in the senators for the taking of a deferred vote on a motion in amendment to Motion No. 410, and on the motion in amendment to Bill C-76, as amended.

• (1840)

THE SENATE

MOTION TO REAFFIRM THE IMPORTANCE OF BOTH OFFICIAL LANGUAGES AS THE FOUNDATION OF OUR FEDERATION IN LIGHT OF THE GOVERNMENT OF ONTARIO'S CUTS TO FRENCH SERVICES—MOTION IN AMENDMENT NEGATIVED

On the Order:

Resuming debate on the motion of the Honourable Senator Miville-Dechêne, seconded by the Honourable Senator Klyne:

That the Senate, in light of the decisions made by the Government of Ontario with respect to the Office of the French Language Services Commissioner and the Université de l'Ontario français:

1. reaffirm the importance of both official languages as the foundation of our federation;

2. remind the Government of Canada of its responsibility to defend and promote language rights, as expressed in the *Canadian Charter of Rights and Freedoms* and the *Official Languages Act*; and

3. urge the Government of Canada to take all necessary measures, within its jurisdiction, to ensure the vitality and development of official language minority communities.

And on the motion in amendment of the Honourable Senator Housakos, seconded by the Honourable Senator Mockler:

That the motion be not now adopted, but that it be amended by replacing point 1 with the following:

"1. reaffirm the importance of the linguistic duality, French and English, given to us by our two founding peoples as the cornerstone of our federation and an essential part of our Canadian identity;".

The Hon. the Speaker: Honourable senators, the question is as follows: It was moved by the Honourable Senator Housakos, seconded by the Honourable Senator Mockler:

That the motion be not now adopted, but that it be amended by replacing point 1 with the following:

"1. reaffirm the importance of the linguistic duality, French and English, —

Shall I dispense, honourable senators?

Hon. Senators: Agreed.

Motion in amendment of the Honourable Senator Housakos negatived on the following division:

YEAS
THE HONOURABLE SENATORS

Andreychuk	McInnis
Batters	Ngo
Beyak	Oh
Boisvenu	Patterson
Carignan	Plett
Doyle	Smith
Housakos	Tannas
MacDonald	Tkachuk
Maltais	Wells
Martin	White—20

NAYS
THE HONOURABLE SENATORS

Bellemare	Greene
Bernard	Griffin
Black (*Ontario*)	Harder
Boehm	Hartling
Boniface	Joyal
Bovey	Klyne
Boyer	LaBoucane-Benson
Brazeau	Lankin
Busson	Lovelace Nicholas
Campbell	Marwah
Christmas	Massicotte
Cormier	McCallum
Coyle	Mégie
Dalphond	Mercer
Dasko	Mitchell
Dawson	Miville-Dechêne
Deacon (*Nova Scotia*)	Moncion
Dean	Munson
Downe	Omidvar
Duffy	Pate
Dyck	Petitclerc
Forest	Pratte
Forest-Niesing	Simons
Francis	Sinclair
Gagné	Verner
Galvez	Wetston
Gold	Woo—54

ABSTENTIONS
THE HONOURABLE SENATORS

Ataullahjan	Mockler
Dagenais	Neufeld
Eaton	Poirier
Frum	Richards
Marshall	Stewart Olsen—11
McIntyre	

• (1850)

ELECTIONS MODERNIZATION BILL

BILL TO AMEND—THIRD READING—MOTION IN AMENDMENT NEGATIVED

On the Order:

Resuming debate on the motion of the Honourable Senator Dawson, seconded by the Honourable Senator Munson, for the third reading of Bill C-76, An Act to amend the Canada Elections Act and other Acts and to make certain consequential amendments, as amended.

And on the motion in amendment of the Honourable Senator Frum, seconded by the Honourable Senator Housakos:

That Bill C-76, as amended, be not now read a third time, but that it be further amended in clause 223,

(*a*) on page 118, by adding the following after line 17:

"**(a.1)** an individual who does not reside in Canada;";

(*b*) on page 121,

(i) by replacing lines 21 to 26 with the following:

"**(a)** if the third party is an individual,

(i) the individual is neither a Canadian citizen nor a *permanent resident* as defined in subsection 2(1) of the *Immigration and Refugee Protection Act*, or

(ii) the individual does not reside in Canada; or", and

(ii) by replacing lines 37 to 39 with the following:

"**(c)** if the third party is a group, that group does not carry out activities in Canada"; and

(*c*) on page 122, by deleting lines 1-4.

The Hon. the Speaker: Honourable senators, the question is as follows: It was moved by the Honourable Senator Frum, seconded by the Honourable Senator Housakos:

> That Bill C-76, as amended, be not now read a third time, but that it be further amended in clause 223,
>
> (*a*) —

Shall I dispense, honourable senators?

Hon. Senators: Agreed.

Motion in amendment of the Honourable Senator Frum negatived on the following division:

YEAS
THE HONOURABLE SENATORS

Andreychuk	McInnis
Ataullahjan	Mockler
Batters	Neufeld
Beyak	Ngo
Boisvenu	Oh
Carignan	Patterson
Dagenais	Plett
Doyle	Poirier
Eaton	Richards
Frum	Smith
Greene	Stewart Olsen
Housakos	Tannas
MacDonald	Tkachuk
Maltais	Verner
Marshall	Wells
Martin	White—32

NAYS
THE HONOURABLE SENATORS

Bellemare	Gagné
Bernard	Galvez
Black (*Ontario*)	Gold
Boehm	Harder
Boniface	Hartling
Bovey	Joyal
Boyer	Klyne
Brazeau	LaBoucane-Benson
Busson	Lovelace Nicholas
Campbell	Marwah
Christmas	McCallum
Cormier	Mégie
Coyle	Mercer
Dalphond	Mitchell
Dasko	Miville-Dechêne
Dawson	Moncion
Deacon (*Nova Scotia*)	Munson
Dean	Omidvar
Downe	Pate
Duffy	Petitclerc
Dyck	Pratte
Forest	Sinclair
Forest-Niesing	Woo—47
Francis	

ABSTENTIONS
THE HONOURABLE SENATORS

Griffin	McIntyre
Lankin	Simons
Massicotte	Wetston—6

BUSINESS OF THE SENATE

Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate): Honourable senators, pursuant to rule 4-13(3), I would like to inform the Senate that as we proceed with Government Business, the Senate will address the items in the following order: third reading of Bill C-76, followed by consideration of the fifteenth report of the Standing Senate Committee on Transport and Communications, followed by third reading of Bill C-86, followed by third reading of Bill C-90, followed by all remaining items in the order that they appear on the Order Paper.

[*Translation*]

ELECTIONS MODERNIZATION BILL

BILL TO AMEND—THIRD READING—
DEBATE

On the Order:

> Resuming debate on the motion of the Honourable Senator Dawson, seconded by the Honourable Senator Munson, for the third reading of Bill C-76, An Act to amend the Canada Elections Act and other Acts and to make certain consequential amendments, as amended.

Hon. Pierre-Hugues Boisvenu: Honourable senators, I rise to speak at third reading of Bill C-76, An Act to amend the Canada Elections Act and other Acts and to make certain consequential amendments, as amended.

Bill C-76 is a massive, 256-page bill that goes to the very heart of our democracy, specifically the federal electoral process. Bill C-76 will change many of the rules that govern the democratic lives of Canadians. Since I believe that a reform was needed, I support some of these changes.

That being said, I feel that the Standing Senate Committee on Legal and Constitutional Affairs should have taken more time to study this huge bill more meticulously.

However, what I want to talk to you about today is the right to vote of Canadians living abroad.

As you surely know, Canadians who have been living abroad for less than five years have the right to vote. This right has existed since 1993. Under this rule, a Canadian can even leave the country for less than five years, come back, leave again and still vote within a span of five years, and so on.

That right is enshrined in the current act under Division 3, which is entitled "Electors Temporarily Resident Outside Canada." I want to draw your attention to the word "temporarily," because according to the version of the act that is currently in effect, you must have been residing outside Canada temporarily for less than five years to be eligible to vote in federal elections.

• (1900)

In particular, subsection 222(1) of the Canada Elections Act states that the Chief Electoral Officer of Canada shall maintain a register of electors who are temporarily resident outside Canada in which are entered the names and addresses of Canadian electors who satisfy certain criteria.

Bill C-76 will eliminate the requirement of intention to return to Canada and allow any Canadian residing outside Canada to vote regardless of how long they've been outside the country. Canadians who haven't lived here for 10, 15, 20, 40 or 50 years, much longer than the five-year limit, will be entitled to vote.

Honourable senators, during the committee's study, I was surprised to discover that there's currently a case before the Supreme Court of Canada that hinges on the voting rights of Canadians who have been non-resident for longer than five years. That case, *Frank v. Attorney General of Canada*, was heard on March 21 of this year, and the Supreme Court will be rendering its decision in the weeks and months to come.

I was even more surprised that, bizarrely, the Government of Canada's position in *Frank* is to oppose the appellant, thereby opposing those who want the right to vote despite being non-resident for five years or more. In this case, two students who have exceeded the five-year period are asking for the right to vote. One of the two students actually was granted the right to vote in the United States.

In short, while the Attorney General of Canada, Ms. Wilson-Raybould, was asking her lawyers to file a factum with the court to oppose voting rights for Canadians who have been living outside the country for five years or more, the same Ms. Wilson-Raybould, the Minister of Justice, had law clerks working on drafting Bill C-76, which proposes to allow Canadians who have been living outside the country for five years or more to vote in federal elections, which is the exact opposite of the government's position before the Supreme Court.

I also learned that the Government of Quebec is an intervener in that case. Before the Supreme Court, the Government of Quebec opposed allowing expatriates who have lived abroad for five years or more to vote. I am therefore defending the position of the Government of Quebec. The Attorney General of Quebec opposes the elimination of the principle of a five-year maximum because of the central role of the connection between the voting citizen and his or her electoral district. Does a Canadian who has lived abroad for more than five years have the same connection to Canada as a Canadian living in Canada does? I have my doubts.

In fact, unlike many countries such as France, where the president is the central element of the connection, the electoral district is the central element of our electoral system. All Canadians vote based on their connection to an electoral district. Clearly, that connection diminishes over the course of years spent abroad. In France, voters vote first and foremost for their president. It would be wrong for us to follow a republican model. In Canada, we vote for a member of Parliament, not for a prime minister.

[*English*]

I was also surprised to read in the Attorney General's factum that Parliament's choice of a period of time that allows the objective definition of "temporary," five years, is not an arbitrary norm given the similar choice of a time period by comparable Westminster parliamentary systems.

[*Translation*]

Other countries with a Westminster parliamentary system also use this five-year limit.

According to the factum of the Attorney General of Quebec in *Frank*, and I quote:

> The concept of residence is vitally important in the practical implementation of this system. The concept of residence qualifies the right to vote and constitutes the historically recognized connection linking the elector to the constituency in which they vote.

We live in a federation consisting of regions where residency is the key factor that links a voter to a riding where he or she may exercise his or her right to vote.

Why would 100 voters who have lived in the United States for more than five years have the right to change the results of a tight electoral race in a specific riding represented by a member who defends the interests of that riding? After five years, their connection to those interests is rather weak, is it not?

As the Attorney General of Quebec stated on page 6 of the factum in support of the Attorney General of Canada, and I quote:

> Voting by non-residents in a given constituency could therefore affect the democratic process by interfering with the membership of the community that the member is expected to represent.

The Canada Elections Act is based on the principle of having ties to Canada, which is why Quebec is opposed to a system like the one in Bill C-76, which would alter this principle. Quebec legislation uses the term "domicile" instead of "residence" to focus on more permanent ties to the province. Voters need an anchor, which is their domicile and their electoral division. This paradigm shift would likely have a long-lasting impact in Quebec, since the Quebec act would presumably be challenged in court.

The Attorney General of Quebec also stated that, and I quote:

> The right to vote is suspended only after an absence of more than five (5) years and is restored once the citizen returns to the country.

This is why the requirement that the voter intend to return to Canada is also an important factor. Bill C-76 unfortunately removes this requirement to be eligible to vote. This is another mistake in Bill C-76.

In his factum, the Attorney General of Quebec also explains that the imposed limit is rationally linked to the government's urgent and fundamental objective of preserving Canada's social contract. Under that social contract, citizens residing in Canada abide by laws passed by elected representatives because they have a say in the passage of such laws. Is a Canadian who has been living outside the country for 20 or 30 years exposed to those laws in the same way and to the same degree as a Canadian who lives here? That's doubtful.

Could the five-year rule be extended to 10 years? Perhaps. What I am trying to say is that there needs to be a limit. If not, the ties to the land and the notion of a common interest with Canada will be lost. A common interest should mean more than an interest in a particular subject. A common interest with and ties to Canada should continue to be associated with a limit on time spent abroad.

I therefore propose that the provisions that would repeal the five-year rule and the requirement of intent to return to the country be removed from Bill C-76. The International Register of Electors will continue to exist, but it will be governed by the five-year rule and the requirement of intent to return to Canada.

MOTION IN AMENDMENT NEGATIVED

Hon. Pierre-Hugues Boisvenu: Therefore, honourable senators, in amendment, I move:

> That Bill C-76, as amended, be not now read a third time, but that it be further amended
>
> (*a*) in clause 152, on page 80,
>
> (i) by replacing line 14 with the following:
>
> "**152 Section 221 of the Act is replaced**"; and
>
> (ii) by deleting lines 22 to 28;
>
> (*b*) in clause 153,
>
> (i) on page 80, by deleting lines 29 to 32, and
>
> (ii) on page 81, by deleting lines 1 and 2; and
>
> (*c*) in clause 154, on page 81, by deleting lines 3 to 6.

The Hon. the Speaker: In amendment, it was moved by the Honourable Senator Boisvenu, seconded by the Honourable Senator Patterson, that the bill be not now read the third time, but that it be further amended in clause 152, on page 80 —

Hon. Senators: Dispense.

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

Hon. Senators: Question.

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

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker: All those in favour of the motion will please say "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker: All those opposed will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker: In my opinion, the nays have it.

And two honourable senators having risen:

The Hon. the Speaker: The vote will take place at 5:25 p.m.

Call in the senators.

• (1920)

[*English*]

Motion in amendment of the Honourable Senator Boisvenu negatived on the following division:

YEAS
THE HONOURABLE SENATORS

Andreychuk
Ataullahjan
Batters
Beyak
Boisvenu
Carignan
Dagenais
Doyle
Eaton
Frum
Griffin
Housakos
MacDonald
Maltais
Manning
Marshall
Martin
McInnis
McIntyre
Mockler
Neufeld
Ngo
Oh
Patterson
Plett
Poirier
Richards
Seidman
Smith
Stewart Olsen
Tannas
Tkachuk
Verner
Wells—34

NAYS
THE HONOURABLE SENATORS

Bellemare
Black (*Ontario*)
Boehm
Boniface
Bovey
Boyer
Busson
Campbell
Christmas
Cormier
Coyle
Dalphond
Dasko
Dawson
Deacon (*Nova Scotia*)
Dean
Downe
Dyck
Forest
Forest-Niesing
Francis
Gagné
Galvez
Gold
Greene
Harder
Hartling
Joyal
Klyne
LaBoucane-Benson
Lankin
Lovelace Nicholas
Marwah
Massicotte
McCallum
Mégie
Mercer
Mitchell
Miville-Dechêne
Moncion
Munson
Omidvar
Pate
Petitclerc
Pratte
Ravalia
Saint-Germain
Simons
Sinclair
Wetston
Woo—51

ABSTENTIONS
THE HONOURABLE SENATORS

Bernard
White—2

• (1930)

[*Translation*]

CRIMINAL CODE
DEPARTMENT OF JUSTICE ACT

BILL TO AMEND—MESSAGE FROM COMMONS—
DISAGREEMENT WITH SENATE AMENDMENTS

The Hon. the Speaker: Honourable senators, I have the honour to inform the Senate that a message has been received from the House of Commons which reads as follows:

Monday, December 10, 2018

ORDERED,—That a Message be sent to the Senate to acquaint Their Honours that the House respectfully disagrees with amendments 1 and 2 made by the Senate to Bill C-51, An Act to amend the Criminal Code and the Department of Justice Act and to make consequential amendments to another Act, as they are inconsistent with the Bill's objective of codifying Supreme Court of Canada jurisprudence on a narrow aspect of the law on sexual assault and instead seek to legislate a different, much more complex legal issue, without the benefit of consistent guidance from appellate courts or a broad range of stakeholder perspectives.

ATTEST

Charles Robert
The Clerk of the House of Commons

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

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

[*English*]

ELECTIONS MODERNIZATION BILL

BILL TO AMEND—THIRD READING—
DEBATE

On the Order:

> Resuming debate on the motion of the Honourable Senator Dawson, seconded by the Honourable Senator Munson, for the third reading of Bill C-76, An Act to amend the Canada Elections Act and other Acts and to make certain consequential amendments, as amended.

Hon. Denise Batters: Honourable senators, I rise today to speak to Bill C-76, legislation that will alter the rules around the most basic fundamental exercise of our democratic rights in Canada: that is, of course, our right to vote. As parliamentarians, it is our responsibility to safeguard that right to vote and to protect the security of our precious Canadian system of free, fair and democratic elections.

This matter should concern us all, particularly in the current global political climate. Many countries in the world are consumed with issues of electoral security, with allegations of foreign influence and interference in domestic elections a preoccupation for many. Shifting global powers and the advent of new technologies have created increased opportunity for manipulation of democratic voting systems. As noted political commentator and journalist David Frum stated when he testified before our Senate Legal and Constitutional Affairs Committee:

> One of the features of the twenty-first century politics, as opposed to twentieth-century politics, is that authoritarian governments are more careful about the use of violence than they used to be, but they have greater powers and surveillance and interference than they have ever had before. A hostile foreign power is less likely to come at you with rockets and tanks, but more likely to come at you with these new means and try to shape your government. The point of war is to change the will of the antagonist opposite. What if you can change the will without the expense and risk of war by operating directly on the voting system of that country? This is a very significant challenge.

At the same time as major nations in the world are consumed by this issue, this Trudeau government brings forward election legislation that blows the door wide open for foreign interference in Canada's elections. As we have seen so often from this Liberal government, they talk a good game, but then only introduce half measures that fail to close the loopholes for foreign interference and the influence of third-party spending in our democratic process.

Why do they drag their feet on this matter when such fundamental democratic rights and even national security are at stake? Will they sacrifice those principles in order to create an outcome that would be the most advantageous to them?

Far be it from me to be cynical, honourable senators, but the Trudeau government has once again failed to provide satisfactory answers to these important questions. Instead, they delayed introducing legislation and now are anxiously pressing to get this legislation passed quickly before the next election.

Our Senate Legal Committee was only able to have three meetings on Bill C-76, an almost 300-page bill, yet the Trudeau government is plowing ahead with this legislation at all costs. The matter of extending voting rights to citizens living abroad is currently before the Supreme Court in a case entitled *R. v. Frank*. The Ontario Court of Appeal sided with existing election law, establishing that current limits on expatriate electors living outside of Canada for less than five years and having an intent to return are appropriate.

However, the matter of extending voting rights to more citizens abroad is currently before the Supreme Court of Canada, which is due to report soon. Oddly, the Trudeau government has instead insisted on this legislation passing before that Supreme Court judgment is rendered.

While it is never wise to prejudge the outcome of the Supreme Court's deliberations, it is not commonplace for the Supreme Court to overturn decisions rendered by the Ontario Court of Appeal. In any case, it would not be prudent for the Trudeau government to rely on the court doing so.

Make no mistake, this bill is deeply flawed. It leaves gaping holes in our electoral system, dramatically diminishing identification and verification requirements and opening loopholes to allow third parties and foreign entities to influence the outcome of our elections. Even the Minister of Democratic Institutions has indicated that it would be virtually impossible to prevent foreign interference during the 2019 election.

At the same time that the Trudeau government is loosening the identity verification provisions of the Elections Act, it is also extending voting rights to more Canadian citizens living abroad. This combination leaves our democratic electoral system vulnerable to manipulation and abuse. Currently, the Elections Act stipulates that a Canadian elector not residing in Canada can only register to vote in a Canadian election if he or she has been living outside of Canada for less than five years and has an intention to return to Canada; in other words, a short-term, non-resident Canadian. However, Bill C-76 would remove these limits so any Canadian citizen living abroad, even a long-term non-resident who has lived outside of Canada for 25 or 30 years — or maybe almost their entire life — will be eligible to vote in the next Canadian election.

• (1940)

Furthermore, while Canadian electors must have resided in Canada at some point in their life, there is no minimum length of Canadian residency required in order to qualify to vote. That a non-resident Canadian living abroad with no ties to Canada, who may have lived in Canada only for a month decades ago, can vote in our federal election to determine the political fate of our nation seems absurd.

Even the Attorney General of Canada has argued before the courts that a link to residence in Canada is vitally important in Canada's electoral system, which is based on local constituencies. The residence requirement is a way of ensuring that a Canadian citizen is part of the social contract between a democratic government and electors. The electors choose a local representative who serves their community and makes laws regarding matters that affect the electors' day-to-day lives in their area.

If an expat Canadian has only lived in Canada for one month in their whole life, or if they have lived outside of Canada for an extended period of time, it seems unreasonable that such a citizen should be able to influence local electoral outcomes in a distant region. Why should they have a say in choosing the lawmaker whose laws they are not beholden to follow?

An estimated 11,000 non-resident electors voted in the 2015 election. Roughly 2 million Canadians live abroad. If Bill C-76 passes into law as is, the potential pool of expatriate voters will increase significantly. That could make a profound difference in our Canadian elections, honourable senators, when really only a small number of votes nationwide can determine which party forms the government and how sizeable that government will be. In 2015, for example, less than 15,000 votes made the difference between the Liberals winning a minority or majority government.

In the 2015 election, the foreign organization Leadnow heavily targeted the Saskatchewan riding of Regina—Lewvan. The NDP candidate won by a razor-thin margin of about 100 votes. With 24 votes, we've recently discovered, cast by non-resident Canadians for that constituency, you can see the potential for non-resident votes to influence close election outcomes can be significant.

The process for non-resident Canadians to register to vote is vulnerable to abuse. In order to register to vote, an expatriate Canadian simply needs to fill out a form, indicating their last residential address in Canada, which determines in which riding their vote will be counted. No proof of that residence is required. Elections Canada doesn't verify it unless a specific complaint has been lodged. The potential elector applies online and presses a button, which submits an attestation that doesn't even outline the significant penalties for fraudulent voting.

The elector is then registered and receives a mail-in ballot to vote, all without having to meet or even speak to an elections official, and without any kind of verification. This is especially concerning because of the opportunity it provides for foreign interference in Canadian elections.

Unfortunately, Bill C-76 doesn't establish adequate safeguards in this respect.

Given the current prominence of the issue of foreign interference during elections in the United States, Canada must be ever-vigilant against allowing anything similar to occur within our borders. Unfortunately, our government and elections officials are remarkably blasé about the matter. Recently, Prime Minister Trudeau was asked how much Russian interference occurred in the last Canadian election. His response was "not much."

My Conservative colleague MP Blaine Calkins submitted an Order Paper question in the House of Commons, asking for details on Prime Minister Trudeau's comments. Of course, now the PM won't answer, citing it is a matter of national security. Yet, when we questioned the Chief Electoral Officer about this at Legal and Constitutional Affairs committee, he informed us that he had absolutely no knowledge of the Russian interference the Prime Minister had confirmed. As a very wise colleague of mine pointed out, it is unbelievable that the Canadian Chief Electoral Officer, the person in charge of keeping our electoral system safe and secure, is so remarkably incurious about information concerning our national electoral security.

An insecure electoral system under this legislation is especially concerning for Canadian electors living abroad under repressive or coercive regimes. As David Frum testified before the Senate Legal and Constitutional Affairs Committee:

> As you study this bill, I invite you to consider some other realities. Suppose, instead of the free and democratic United States an ex-patriot like me lived in another country, a country that was not a democracy and not free; a country that surveilled and policed every aspect of my behaviour according to a system of social credit as it calls it. A country that noticed when I received a ballot to vote in an external country's election and possessed both the technology and the will to inspect how I cast that ballot. A country that did not believe in free elections or privacy rights. A country in which the state could and regularly did determine the success or failure of my business and professional life or my ability to borrow money, rent an apartment or buy an airline ticket varied or could be denied altogether, according to political reliability. A state that regarded anyone resident or born under its jurisdiction as forever and exclusively subjected to that state whatever other passports they might carry. A state with a strong national interest in shaping the politics and governance of other countries, Canada very much among them. A state with the military and economic power to ignore protests and remonstrances from the Government of Canada — indeed, to frighten the Government of Canada into considering carefully whether it dared issues such protests and remonstrances.

He went on to say:

> Given the inevitable defects of ballot security outside of Canada, which is a problem whether people are short-term or long-term expatriates. But with short terms, you are dealing with a relatively small number of ballots that are probably not outcome-altering. But if you expand the population from the current few tens of thousands to hundreds of thousands or millions of ballots being cast outside of Canada, many being cast not in the U.S. or Britain but in other countries, you create an opportunity for governments that have very focused foreign policies interested in affecting other countries — Canada very much on that list — to use pressure on voters, maybe even fraud on the ballots. Your security measures will never keep pace with the interventions that foreign governments can imagine and can create. You will be creating opportunity for those governments to use Canadian elections as an opportunity to shape the Canadian governments they deal with.

Mr. Frum's concern with Bill C-76, a concern I share, is with this law, we could essentially be handing a stack of ballots to foreign governments to infiltrate Canadian elections. Unless you think Canadians living around the world aren't numerous enough to have that kind of an impact, I would encourage you to reflect upon the fact that an estimated 300,000 Canadian citizens live in Hong Kong alone.

Besides the foreign interference implications, another serious concern with Bill C-76 is its failure to eliminate spending abuses by third parties. When the Chief Electoral Officer appeared before the Senate Legal Committee, I asked him about a certain scenario: Imagine a Canadian citizen, perhaps a multimillionaire celebrity rock star who lived in the United States for more than a decade, decides to host a benefit rock concert and anti-pipeline rally at Madison Square Garden to raise money in anti-pipeline fervour, an event designed to motivate non-resident Canadians to vote against one particular party.

According to the Chief Electoral Officer, such an event would be allowed without partisan activity restrictions under this flawed Bill C-76.

Similarly, the CEO confirmed that a foreign government could take a full-page newspaper ad out or air a television commercial advocating that Canadians vote for or against a candidate or party. That advertisement by a foreign government — think Russia, China, Iran — would not be subject to any restrictions under Canadian law.

Another stunning matter I discovered during our Legal Committee's study of this legislation was how the Trudeau government has removed all actual independence between the Chief Electoral Officer and the elections commissioner. The commissioner's office was previously housed with the Public Prosecution Service of Canada, given his role as the primary enforcement officer regarding elections infractions. Bill C-76 will move the elections commissioner and his office back under the Chief Electoral Officer's control.

In a worst-case scenario, what if Elections Canada Chief Electoral Officer committed serious election offences under this act? The Commissioner of Canada Elections would be in the completely untenable position of investigating, prosecuting, deciding not to compel and penalizing their own boss.

When I asked Democratic Institutions Minister Karina Gould about this alarming situation, perhaps unsurprisingly, she was unconcerned.

Honourable senators, Bill C-76 will refashion the Commissioner of Canada Elections as a subservient employee of the Chief Electoral Officer. Under the provisions of this bill, the Chief Electoral Officer hires, fires and determines the remuneration of the elections commissioner. The Chief Electoral Officer also established the boundaries of the elections commissioner's good behaviour and determines the location of their office. If that's not an employee-employer relationship, I don't know what it is. It might be a lot of things, but it certainly isn't independence.

As I said at Legal Committee, it seems this Trudeau government needs a definition of "independence" that bears some actual resemblance to the actual definition of independence.

• (1950)

Honourable senators, we see news stories on a daily basis from almost every news outlet about possible Russian foreign interference in the last U.S. election. Maybe when you watch all that news coverage you wonder, could that happen here in Canada? It did happen here, in the last federal election. Prime Minister Trudeau admitted it. Yet despite this, his government provides us with woefully inadequate safeguards against foreign interference in Bill C-76. They could have slammed the door shut, but instead they have left it wide open.

While the Trudeau government opens Canadian elections to a pool of 2 million additional voters with potentially little or no connection to Canada, Canadian policies or current events, I cannot help but think that it really creates a perfect storm. It used to be difficult to mobilize 2,000 expatriates around any given issue. Now, in the age of widespread social media, that task is far less onerous. At the same time, though, you have a voter base —

The Hon. the Speaker: I am sorry to interrupt you, Senator Batters, but your time has expired. Are you asking for five more minutes?

Senator Batters: I need two minutes.

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

Hon. Senators: Agreed.

Senator Batters: Thank you.

At the same time, though, you have a voter base whose identity is hard to regulate and verify, masked by the anonymity of the Internet, with access to 2 million Canadian ballots to determine the outcome of the next Canadian election. Surely we can compromise, senators, to limit that potential pool of voters by restricting it to those expatriates who have resided in Canada for at least five years, those that we would assume possess a deeper connection to Canada and our democratic electoral system.

MOTION IN AMENDMENT NEGATIVED

Hon. Denise Batters: Therefore, honourable senators, in amendment, I move:

That Bill C-76, as amended, be not now read a third time, but that it be further amended in clause 152, on page 80, by replacing line 28 with the following:

"the application, resided in Canada for a total of at least five years.".

I ask for your support for this common sense amendment. Thank you.

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

Hon. Senators: Question.

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

Some Hon. Senators: Yea.

Some Hon. Senators: Nay.

The Hon. the Speaker: All those in favour of the motion will please say "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker: All those opposed to the motion will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker: In my opinion the "nays" have it.

And two honourable senators having risen:

The Hon. the Speaker: Do we have agreement on a bell?

Hon. Senators: Now.

Motion in amendment of the Honourable Senator Batters negatived on the following division:

YEAS
THE HONOURABLE SENATORS

Andreychuk
Ataullahjan
Batters
Boisvenu
Carignan
Dagenais
Doyle
Frum
Housakos
Lankin
MacDonald
Maltais
Manning
Martin
McInnis
McIntyre
Mockler
Neufeld
Ngo
Oh
Patterson
Plett
Poirier
Richards
Seidman
Smith
Stewart Olsen
Tannas
Tkachuk
Verner
Wells—31

NAYS
THE HONOURABLE SENATORS

Bellemare
Bernard
Black (*Ontario*)
Boehm
Boniface
Bovey
Boyer
Campbell
Christmas
Cormier
Coyle
Dalphond
Dasko
Dawson
Deacon (*Nova Scotia*)
Dean
Downe
Dyck
Forest
Forest-Niesing
Francis
Gagné
Galvez
Gold
Greene
Harder
Hartling
Joyal
Klyne
LaBoucane-Benson
Lovelace Nicholas
Marwah
Massicotte
McCallum
Mégie
Mercer
Mitchell
Miville-Dechêne
Moncion
Munson
Omidvar
Petitclerc
Pratte
Ravalia
Saint-Germain
Simons
Sinclair
Wetston
Woo—49

ABSTENTIONS
THE HONOURABLE SENATORS

Nil

[*Translation*]

BILL TO AMEND—THIRD READING—
DEBATE

On the Order:

> Resuming debate on the motion of the Honourable Senator Dawson, seconded by the Honourable Senator Munson, for the third reading of Bill C-76, An Act to amend the Canada Elections Act and other Acts and to make certain consequential amendments, as amended.

Hon. Claude Carignan: Honourable senators, I rise today to speak to Bill C-76, An Act to amend the Canada Elections Act and other Acts and to make certain consequential amendments, as amended.

In my view, the Canada Elections Act is one of the most important statutes in our country. Much like the Canadian Constitution, which includes the Canadian Charter of Rights and Freedoms, the Canada Elections Act is one of the cornerstones of our democracy. It is a foundational law that underpins our parliamentary system, our democracy and the legitimacy of our institutions.

• (2000)

Customarily, amendments to the Elections Act are made in collaboration with all political parties, and the government tries as much as possible to reach a consensus. Furthermore, reforms of this act must be done thoughtfully, carefully and diligently.

[*English*]

Following the 2015 election, the Chief Electoral Officer made recommendations on legislative reform after the forty-second general election. The Standing Committee on Procedure and House Affairs of the House of Commons reviewed and reported on these recommendations for the house.

[*Translation*]

Here is an excerpt from the thirty-fifth report of the House of Commons Standing Committee on Procedure and House Affairs tabled on June 20, 2017. It states, and I quote:

> The Canada Elections Act (CEA) requires the Chief Electoral Officer (CEO) to provide a report to the Speaker of the House of Commons following each federal general election that sets out any amendments that are, in the CEO's opinion, desirable for the better administration of the *Act*. Accordingly, the CEO's report under section 535 of the CEA was tabled in the House of Commons on September 27, 2016. Pursuant to Standing Order 32(5), the CEO's report was referred to the Committee that same day.
>
> During the course of the 42nd Parliament, 1st Session, the Committee has dedicated 19 meetings to the consideration of the CEO's report and has adopted two interim reports based on this study: one presented to the House on March 6, 2017, and the other on March 20, 2017.

[*English*]

On May 17, 2017, the committee received a letter from the Minister of Democratic Institutions requesting that the committee prioritize its work on the review of the CEO's report in order to provide feedback to the government on specific recommendations that will be "critical for [the government's] decision-making this summer." The summer in question was the summer of 2017.

[*Translation*]

I would remind you, honourable senators, that the Acting Chief Electoral Officer, Stéphane Perrault, clearly told Parliament and the committee that in order to allow Elections Canada to make the required changes in time for the upcoming 2019 election, the legislation had to receive royal assent by the end of April 2018.

On April 24, 2018, when he appeared before the House of Commons Standing Committee on Procedure and House Affairs, Stéphane Perrault, the Acting Chief Electoral Officer stated, and I quote:

> When I appeared last February, I indicated that the window of opportunity to implement major changes in time for the next election was rapidly closing. That was not a new message. Both Monsieur Mayrand and I had previously indicated that legislative changes should be enacted by April 2018. This means that we are now at a point where the implementation of new legislation will likely involve some compromises.
>
> . . . However, it is also my responsibility to inform you that time is quickly running out. Canadians trust Elections Canada to deliver robust and reliable elections, and we do not want to find ourselves in a situation where the quality of the electoral process is impacted.

The Chief Electoral Officer drew the attention of the committee to two technical points. At present, section 91 of the Canada Elections Act states the following:

> **Publishing false statements to affect election results**
>
> **91** No person shall, with the intention of affecting the results of an election, knowingly make or publish any false statement of fact in relation to the personal character or conduct of a candidate or prospective candidate.

As you can see, colleagues, that is rather broad. Bill C-76 then sought to specify the types of false statements by adding the following limitations:

> **(a)** . . . a candidate . . . has committed an offence under an Act of Parliament or a regulation made under such an Act — or under an Act of the legislature of a province or a regulation made under such an Act — or has been charged with or is under investigation for such an offence; or
>
> **(b)** a false statement about the citizenship, place of birth, education, professional qualifications or membership in a group or association of a candidate, a prospective candidate, the leader of a political party or a public figure associated with a political party.

The problem with this amendment is that if we specify the types of false statements, we are excluding other types of false statements, for example, if a candidate has served time in prison or was accused of being a pedophile.

The Commissioner of Canada Elections made this observation in his statements to the House of Commons. He said:

> While the bill specifies more clearly what the prohibited conduct would be, it would no longer cover allegations of moral turpitude that do not constitute criminal conduct. This could result in a lessening of the protection offered by the Act as it has been interpreted by the courts over the years, at a time when "false news" is becoming a concern in many world democracies. This could result in serious allegations being made that have a serious effect on an election, without the office being able to take any compliance or enforcement action.

This clause should therefore be amended to expand its scope and reduce the risk of "fake news," as the Chief Electoral Officer told the Legal and Constitutional Affairs Committee. He said the following:

> Yes, there have been a few court cases in which it was construed narrowly as a freedom of expression issue or perhaps as an issue concerning a particular conception of electioneering. It hasn't been interpreted very broadly and has become very hard to enforce. So I think it's a very good idea to clarify it. Is it too narrow? I know the commissioner has proposed amendments that might afford a compromise; they would increase clarity while ensuring slightly broader coverage, and I would support that if possible.

Therefore, colleagues, for the sake of consistency, and as requested by the Commissioner of Canada Elections with the support of the Chief Electoral Officer, I propose that the word "including" be added to the list to make it non-exhaustive.

MOTION IN AMENDMENT NEGATIVED

Hon. Claude Carignan: Therefore, honourable senators, in amendment, I move:

> That Bill C-76, as amended, be not now read a third time, but that it be further amended in clause 61, on page 35, by replacing line 12 with the following:
>
> "the election period, a false statement about a candidate, a prospective candidate, the leader of a political party or a public figure associated with a political party, including:".

The Hon. the Speaker: In amendment, it was moved by the Honourable Senator Carignan, seconded by the Honourable Senator Andreychuk, that Bill C-76 —

Hon. Senators: Dispense.

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

Hon. Senators: Yes.

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

Some Hon. Senators: Yes.

Some Hon. Senators: No.

[*English*]

The Hon. the Speaker: All those in favour of the motion will please say "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker: All those opposed to the motion will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker: In my opinion, the nays have it.

And two honourable senators having risen:

The Hon. the Speaker: Do we have agreement on the bell?

Senator Plett: Fifteen minutes.

The Hon. the Speaker: Order, please. The vote will take place at 8:24. Call in the senators.

• (2020)

Motion in amendment of the Honourable Senator Carignan negatived on the following division:

YEAS
THE HONOURABLE SENATORS

Andreychuk	McInnis
Ataullahjan	McIntyre
Batters	Mockler
Beyak	Neufeld
Boisvenu	Ngo
Carignan	Oh
Dagenais	Patterson
Doyle	Plett
Eaton	Poirier
Forest	Richards
Frum	Seidman
Griffin	Smith
Housakos	Stewart Olsen
MacDonald	Tannas
Maltais	Tkachuk
Manning	Verner
Marshall	Wells
Martin	White—36

NAYS
THE HONOURABLE SENATORS

Bellemare	Harder
Bernard	Hartling
Black (*Ontario*)	Joyal
Boehm	Klyne
Boniface	LaBoucane-Benson
Bovey	Lankin
Boyer	Lovelace Nicholas
Busson	McCallum
Campbell	Mégie
Christmas	Mercer
Cormier	Mitchell
Coyle	Miville-Dechêne
Dalphond	Moncion
Dasko	Munson
Dawson	Omidvar
Deacon (*Nova Scotia*)	Pate
Downe	Petitclerc
Duffy	Pratte
Dyck	Ravalia
Forest-Niesing	Saint-Germain
Francis	Simons
Gagné	Sinclair
Gold	Wetston
Greene	Woo—48

ABSTENTIONS
THE HONOURABLE SENATORS

Dean	Massicotte—2

• (2030)

[*Translation*]

BILL TO AMEND—THIRD READING

On the Order:

> Resuming debate on the motion of the Honourable Senator Dawson, seconded by the Honourable Senator Munson, for the third reading of Bill C-76, An Act to amend the Canada Elections Act and other Acts and to make certain consequential amendments, as amended.

Hon. Pierre J. Dalphond: Before we finish with Bill C-76, I would like to make a few comments regarding two important points that Senator Frum raised in her speech on Friday.

The first has to do with the use of the voter cards as proof of address.

[*English*]

In the 2015 federal election, 49,600 Canadian citizens went to polling stations but were denied the right to vote due to a lack of two accepted pieces of identification. Another 123,000 stated that they did not even make it to the polling station because they believed they could not meet the existing identification requirements. The time has come to correct this situation, not out of mere kindness, but because every Canadian has a constitutional right to vote.

To this end, Bill C-76 proposes to reinstate the Voter Information Card as an accepted piece of identification at the polling station. Currently, to vote, a person must present an ID with photo, name and address. For most electors, this is not a problem. Indeed, at the 2015 election, 93 per cent of voters were able to present a government-issued ID such as a driver's licence, with name, photo, and address on the same card.

But it remains that 7 per cent of Canadians may not have such an ID readily available to them. For them, it will be necessary to present another ID, usually a health card, which, as you know, does not include the address, at least in Ontario and in Quebec. To establish their address, they need another document such as utility bills, bank statements, credit card statements. However, they are not entitled to present the voter information card. In my opinion, this is an absurd situation.

First, for some, such as the elderly, the youth and Indigenous people, it may be difficult to produce one of the other accepted documents. Take, for example, utility bills and bank statements, which may be mailed to only one member of a couple.

Second, this seems to ignore that for most people, it will be natural to bring with them to the polling station the voter information card, but not a utility bill or a copy of their lease.

By reintroducing the voter information card, Bill C-76 makes it easier for many to establish their address. And I repeat: To vote, a person must present another piece of ID, and his or her name must already be on the list of electors at the polling station. No danger of fraud there.

[*Translation*]

The second point is about Canadian citizens living abroad. Let me point out that most modern democratic states grant full voting rights based on citizenship regardless of place of residence. One of those is the United States, where American citizens who have not lived in the country for, say, 40 years can vote in presidential and congressional elections. If non-residents can vote for the most powerful man in the world, surely they can vote for a Canadian member of Parliament.

Very few countries have a five-year limit like Canada's. The limit does not apply to members of the Canadian Armed Forces or to federal, provincial or international public servants working abroad. There is no limit for them. For example, a United Nations employee who has been living in New York for 30 years has the right to vote in Canada. The five-year limit doesn't apply in that case. Why shouldn't a Bombardier employee who has been working in Paris or somewhere else in the world for 10 years not have the right to vote?

In fact, only two democratic countries restrict the right to vote by imposing a period of time: Australia has a period of six years and the United Kingdom has a period not of five years, but 15 years. Canada is therefore the most restrictive country with respect to democratic rights. Furthermore, I want to underscore once again that the subject is currently being debated in both countries, both Australia and England, that is, to remove the six-year and 15-year limit.

To sum up, it's entirely appropriate to recognize the right to vote for citizens of democratic countries. Why is that appropriate? Because it's rare for citizens who live abroad not to maintain ties with their country. Canadians who live abroad often still have family living in this country or children who attend college or university here. There are also retired Canadians who may decide to live somewhere in the world with a warmer climate.

Did you know there are more than 186,200 Canadians who are permanent residents abroad and collecting CPP and 149,400 who are collecting Old Age Security while living as permanent residents abroad? These people aren't stealing from Canada. They worked there their entire life. They're receiving a pension to which they're entitled because they worked 20 years or more in Canada. Don't these people have a strong enough connection to Canada? Don't they have a vested interest in getting their Old Age Security pension? Don't they have a vested interest in it being indexed? Don't they have a vested interest in it continuing to be paid out?

What about all these citizens living abroad receiving a portion of their income from Canada? That's true for people receiving dividends from Canadian corporations or even a private pension. They all pay taxes to Canada, collected at the source. Don't they have a vested interest in Canadian budgets and Canadian taxation?

Lastly, on what grounds can we exclude Canadians living abroad who dream of returning to Canada someday when they retire? These are all things the framers of the Charter understood in 1982, things we must recognize today by removing the five-year limit introduced in 1993. Why hesitate? Those who oppose the idea say they are afraid our elections might be compromised by Canadians who have no idea what is going on in this country or who are under the influence of a foreign power. Let's look at the facts before we start fearmongering.

• (2040)

There are no precise statistics on the number of Canadians living abroad. Estimates range from under 1 million to almost 2 million. Hopefully, the passage of Bill C-21, An Act to amend the Customs Act, will allow us to have more reliable data in the future.

However, we know that a Canadian citizen living abroad can't vote unless he or she has taken all the necessary steps to be added to the list of electors and provided proof of residence in a Canadian electoral district before leaving the country. Moreover, statistics show that in the United States, scarcely 10 per cent of non-resident Americans go through the necessary process to register to vote in the presidential election, to choose the person who will fill the most powerful office in the world.

It is reasonable to assume that not more than 10 per cent of the Canadians living abroad will exercise their right to elect an MP in a Canadian riding. If Bill C-76 is passed, the Chief Electoral Officer estimates that barely 30,000 Canadians will exercise their right to vote in the next election. Based on the most conservative estimates of the number of Canadians abroad who are eligible to vote, which amounts to roughly 1 million Canadians, just 2 per cent of these citizens voted in the last election and will vote in the next one.

During the last federal election, 14,000 people living abroad, including public servants and members of the Canadian Armed Forces, made the effort to register with the Chief Electoral Officer in a timely manner so that they could be on the list of electors. Of the 14,000 people who registered, only 11,000 went to the trouble to vote in the 2015 election. This is not easy, because they receive a blank ballot on which they have to write by hand the name of the candidate they are voting for.

According to the data provided by the Chief Electoral Officer, non-resident citizens voted in dozens of different ridings during the last election. On average, fewer than 200 people living abroad voted in the same riding. That number was higher for only one riding, and it just so happens it was the riding of Ottawa-Vanier, where many public servants lived before moving abroad.

A total of 496 Canadians living abroad voted in that riding. However, the Liberal candidate who won had a 24,280-vote lead over his closest rival. I do not see any risk of fraud in Ottawa-Vanier or in the immediate future. It has been said that it could happen "one day," but I think that day is still a long way off.

Colleagues, please do not hesitate to vote in favour of Bill C-76 at third reading in order to give back to Canadians citizens the opportunity to fully exercise one of their constitutional rights.

[*English*]

The Hon. the Speaker: Are senators ready for the question? Senator Batters, question?

Hon. Denise Batters: Would Senator Dalphond accept a couple of questions?

Senator Dalphond, I have a few points on particular points from your speech. We had a compressed time frame at the Legal Committee in which to study the bill. Perhaps there wasn't adequate information given about the number of pieces of actual identification that are currently allowed under the Election Act. I believe it's about 40. It's not just a small number of pieces of identification that people can glean from, it's quite significant. I'm wondering if you were aware of that particular factor.

Also, what did you think about the Legal Committee's significant compelling testimony that we heard from Professor Ian Lee, who talked about all the different types of identification that Canada's poor and vulnerable people have, and much of it is required as they have to apply for a number of different social assistance programs and so identification of a significant number is required for that. In fact, he told us that poor and vulnerable people have more identification available to them than others.

I'm also wondering if you think it's a proper comparison to equate Canadian non-resident electors to American non-resident electors, given that American non-resident electors are required to pay taxes to the United States of America and Canada does not have that same requirement. Wouldn't you agree that's a pretty significant requirement they have?

Senator Dalphond: Thank you, colleague, for this question.

I will start by making a comment about the time the committee spent in studying that piece of legislation. It's true we were constrained by the time and we had only a few meetings, but we had very fruitful discussions at the committee. My colleague, Senator Batters, contributed to these exchanges that were very interesting.

I should also point out that we had a Committee of the Whole that lasted for a whole afternoon to prepare the work of the committee, which is very unusual in this house. I should add there was a technical briefing given by the minister herself and her staff that was open to all senators, and not on one but on two occasions. For all those who wanted to learn about this piece of legislation and to be familiar with its content, it was really plenty of time. However, I acknowledge that I worked over the weekend to complete the exercise.

On the questions about Professor Lee, I do remember my question at the very end of his testimony. When I asked him the question whether he thought two pieces of identification were required, his answer was "no." Instead, one piece should be enough. If you have your health card, even if it doesn't have the address on it, if your name is on the list and you have your health card with your picture and your name, you should be entitled to vote. He said, "I don't care about the second piece of identification." I agree with him. He suggested maybe next time we should amend the law and say one piece of identification is enough when the name is on the list. On that, I would support Professor Lee's proposals.

Finally about the tax: Canadians referred to who are receiving the Canada Pension Plan, Old Age Security, or dividends all pay taxes in Canada because it's taken at the source. They are Canadians paying their fair share of the expenses of this government to run the country and they contribute on a daily basis to the services that are provided through their taxes. They are treated like the Americans. Thank you.

Senator Batters: I have a brief follow-up. Are you aware that one piece of identification is allowed, if it's a photo ID driver's licence, which has photo, name and address? That is what many provinces have. I think that was what Professor Ian Lee was talking about. Were you aware that would be allowed under the current situation?

Senator Dalphond: Thank you, Senator Batters. My question to Professor Lee was about the health card. I told him that the requirement to have on the same ID a photo, an address and your name is not something that all Canadians have — 7 per cent of Canadians don't have that — but everybody has a health card. When asked if the health card was sufficient he said, "Yes, I don't care about the second piece."

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

Hon. Senators: Question.

The Hon. the Speaker: It was moved by the Honourable Senator Dawson, seconded by the Honourable Senator Munson that the bill, as amended, be read a third time.

Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker: All those in favour of the motion will please say "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker: All those opposed to the motion will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker: In my opinion the "yeas" have it.

And two honourable senators having risen:

The Hon. the Speaker: Do we have agreement on the bell?

The vote will take place at 9:03 p.m. . Call in the senators.

• (2100)

Motion agreed to and bill, as amended, read third time and passed on the following division:

YEAS
THE HONOURABLE SENATORS

Bellemare
Bernard
Black (*Ontario*)
Boehm
Boniface
Bovey
Boyer
Busson
Campbell
Christmas
Cormier
Coyle
Dalphond
Dasko
Dawson
Deacon (*Nova Scotia*)
Dean
Downe
Duffy
Dyck
Forest
Forest-Niesing
Francis
Furey
Gagné
Gold
Greene
Griffin
Harder
Hartling
Joyal
Klyne
LaBoucane-Benson
Lankin
Lovelace Nicholas
Marwah
Massicotte
McCallum
Mégie
Mercer
Mitchell
Miville-Dechêne
Moncion
Munson
Omidvar
Pate
Petitclerc
Pratte
Ravalia
Saint-Germain
Simons
Sinclair
Wetston
Woo—54

NAYS
THE HONOURABLE SENATORS

Andreychuk
Ataullahjan
Batters
Beyak
Boisvenu
Carignan
Doyle
Eaton
Frum
Housakos
MacDonald
Manning
Marshall
Martin
McInnis
McIntyre
Mockler
Neufeld
Ngo
Oh
Patterson
Plett
Poirier
Richards
Seidman
Smith
Stewart Olsen
Tannas
Tkachuk
Wells
White—31

ABSTENTIONS
THE HONOURABLE SENATORS

Dagenais
Maltais
Wallin—3

• (2110)

WRECKED, ABANDONED OR HAZARDOUS VESSELS BILL

FIFTEENTH REPORT OF TRANSPORT AND COMMUNICATIONS COMMITTEE ADOPTED

The Senate proceeded to consideration of the fifteenth report of the Standing Senate Committee on Transport and Communications (*Bill C-64, An Act respecting wrecks, abandoned, dilapidated or hazardous vessels and salvage operations, with amendments and observations*), presented in the Senate on December 7, 2018.

Hon. David Tkachuk moved the adoption of the report.

He said: Honourable senators, I would like to say a few words as Chair of the Standing Senate Committee on Transport and Communications about Bill C-64, An Act respecting wrecks, abandoned, dilapidated or hazardous vessels and salvage operations.

The bill seeks to ensure that commercial vessels and pleasure craft that become wrecks or are otherwise abandoned, dilapidated or hazardous are removed or remediated at their owner's expense. The bill further seeks to ensure that owners have the financial resources to meet their obligations. It requires owners of vessels of 300 gross tonnes and above to maintain insurance or other financial security to cover the potential costs related to the removal of a wreck.

We held three hearings on the bill and heard from 15 witnesses. While that may not seem like a lot, it was enough for the committee to decide that amendments were required, which were moved by Senator Manning, and that it would append an observation.

The amendments made by the committee to Bill C-64 were suggested by some of our witnesses, in particular Captain Paul Bender, a veteran of World War II. His testimony was compelling. He had also testified before the House of Commons that examined this bill.

While the house committee didn't amend Bill C-64, it did agree to study this subject and produced a report in May 2018 entitled *Canada's Ocean War Graves*. They recommended that the Government of Canada pass a bill similar to the U.K.'s, which recognizes ocean war graves, but that all options are explored to provide immediate protection for these sites.

The government responded to that study in September, noting that:

> The Government is open to supporting an amendment to Bill C-64. . . . to allow existing legislative regulation making authorities for the protection of wrecks that have heritage value to be applied to wrecks of vessels or aircraft of Canadian military forces and of foreign military forces . . . .

The amendments we proposed here in the Senate and agreed to unanimously by the committee also have the support of Senator Campbell, the bill's sponsor here. Senator Manning will speak about the specific amendments that he made.

The amendments we made concern the recognition and protection of ocean war graves in Canadian waters. While Parks Canada is authorized to protect wrecks of heritage value, military wrecks are specifically excluded. The amendments made to Bill C-64 will give Parks Canada the authority to make regulations with respect to ocean war graves and protect the final resting places of those people who lost their lives during their wartime effort.

Let me turn to the observations that we made. The committee heard from witnesses that expressed concern about the new power for the Minister of Transport and Minister of Fisheries and Oceans to direct third parties to take action with respect to wrecked, abandoned or dilapidated vessels. They were worried such an order may create an undue burden for harbour authorities. Often these groups are volunteer based and have neither the financial capacity nor the expertise to respond to a significant wrecked or abandoned vessel. In failing to respond to a direction made by the minister, these groups could be prosecuted with fines ranging from $100,000 to $6 million, while individual directors could face additional fines of up to three years of imprisonment.

While this may not be the intent of the government, the bill gives very broad powers to both ministers, in addition to substantial penalties in the event of non-compliance. Our observation encourages the government to ensure that the urgent and exceptional circumstances under which they would propose to make use of such powers are contained within an appropriate regulation or guideline.

Thank you very much, senators.

Hon. Fabian Manning: Honourable senators, I rise today to speak to Bill C-64, An Act respecting wrecks, abandoned, dilapidated or hazardous vessels and salvage operations.

First, let me say that this is a critical issue for coastal communities, and I fully support this bill. I was pleased to serve as the critic of this bill, and I would like to take this opportunity to thank Senator Larry Campbell for his work as sponsor of Bill C-64. Early on in this process we both found ourselves on the same page with a mutual desire to have some concrete legislation in place to deal with this ongoing and problematic issue.

To quickly recap, this bill has received strong multi-party support because it is a common-sense measure. Many Canadians from coastal communities, including myself, have dealt with the frustration of irresponsible owners leaving derelict vessels to rot at their wharves.

As an example, back in December 2001, two badly rusting Lithuanian ships, the *Sekme* and the *Treimani*, entered the port of Bay Roberts in Newfoundland and Labrador. The ships were seized two months later because their owners owed money in unpaid wages and fuel charges. The owners abandoned the vessels, to the chagrin of the townspeople, and they remained unclaimed for many years.

Initially the two rustbuckets, a title given by the locals, quickly became a significant eyesore, but within short order they became a substantial environmental hazard.

As the member of Parliament for the riding of Avalon at that time, I worked closely with the local town council, the harbour authority and the Department of Fisheries and Oceans to find a solution to this pestering problem. Eventually, after almost seven years of trying, the Canadian government paid for the removal and disposal of these two vessels on August 30, 2008 — an unbelievable scenario of events, to say the least.

There have been far too many examples of this bad behaviour in Canada. In most cases, as in the example I just gave you, it takes years to remove a vessel, and a local government often ends up paying exorbitant costs for removal and to cover lawyers' fees. The hands of the communities were often tied behind their backs, because there was no simple way to start the removal process. Presently there are no strong penalties for the people who cause these problems.

Bill C-64 is a step forward in tackling this problem. Communities will now be able to take action after 60 days to remove derelict vessels rather than go through years of litigation to achieve the same result.

Major new penalties, including jail time for individuals and multi-million-dollar fines for corporations, provide a strong disincentive for abandoning vessels. I believe that these serious consequences will prevent at least some people from abandoning vessels in Canada.

• (2120)

That is Bill C-64 in essence. It gives communities tools to solve an ongoing problem, and it is based on the strong principle of personal accountability.

The most important update on this bill concerns the issue of ocean war graves, which I highlighted at second reading. Honourable senators may remember that at that time I praised the efforts of Captain Paul Bender. Captain Bender is a World War II navy veteran who has dedicated years to fighting for the recognition of ocean war graves, the final resting places of hundreds of Canadian sailors lost during that war.

Currently in Canada, these resting places do not receive the same protection as land-based military graves or, for that matter, the same protection as regular cemeteries. At present it is not illegal for divers to enter these sunken vessels and remove artifacts, including human remains. I think everyone in this chamber can agree it is inappropriate.

I was honoured to move an amendment to Bill C-64 which will allow existing legislative regulation-making authorities for the protection of wrecks which have heritage value to be applied to wrecks of vessels or aircraft of Canadian military forces and of foreign military forces. This approach would afford legal protection to military vessels, including those that contain the remains of military personnel. That amendment was adopted unanimously by the committee.

The language in the amendment was crafted to clarify exclusions under clause 5 of the bill and allow clause 131 heritage wreck regulation-making authority to apply to Canadian and foreign vessels, non-commercial governmental vessels and vessels used for mineral exploration.

Also, the language in the amendment to include the term "ocean war graves" ensures that the intent of heritage wreck regulation offences and punishments under the Canada Shipping Act, 2001, are preserved in Bill C-64 and apply to clause 131 heritage wreck regulation-making authorities.

Let me say in closing, colleagues, that this is a great reminder of the value of our Senate and the oversight we maintain in our review of legislation in committee. Most importantly, it ends the long fight by Captain Paul Bender to have ocean war graves recognized in legislation.

I thank Captain Bender, who was a great witness at committee on Bill C-64, for his compassion, determination and perseverance on this very important piece of legislation.

Captain Bender, mission accomplished.

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

Hon. Senators: Question.

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

Hon. Senators: Agreed.

(Motion agreed to and report adopted.)

THIRD READING

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

Hon. Larry W. Campbell: Honourable senators, with leave of the Senate and notwithstanding rule 5-5(b), I move that the bill, as amended, be read the third time now.

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

Hon. Senators: Agreed.

Senator Campbell: Honourable senators, I'm pleased to speak to third reading of Bill C-64, the wrecked, abandoned or hazardous vessels act, legislation that will help to protect and preserve Canada's marine ecosystems and make our waterways safer.

Let me begin by acknowledging the excellent work undertaken by the Standing Senate Committee on Transport and Communications chaired by Senator Tkachuk in the review of this legislation. We've come to expect excellent work from that committee, and this again is an example of that.

While the vast majority of vessel owners in Canada act responsibly and dispose of their vessels properly, some owners see abandonment as a low-cost, low-risk option for dilapidated vessels. But in doing so, they create a serious problem for our waterways, posing safety, environmental, economic and social risks. Proper remediation of these problem vessels can be complex and costly. Up to now, the financial burden has often fallen to Canadian taxpayers.

With this legislation, the federal government will have more authority to prevent the hazards caused by abandoned and wrecked vessels, rather than the job of dealing with the risks of these problem vessels after the incident has occurred. The bill prohibits owners from abandoning their vessels and will require owners of vessels over 300 gross tonnes to carry wreck removal insurance. The proposed legislation also makes owners accountable for costs incurred in the course of removing or remediating a hazardous wreck.

By ensuring that vessel owners are held liable for locating, marking and, if necessary, removing any wreck that poses a hazard resulting from a maritime casualty, Canada would meet its obligations under the Nairobi International Convention on the Removal of Wrecks, 2007, once it becomes a party to the convention.

Additionally, owners of vessels that are 300 gross tonnes or larger would be required to have wreck insurance or other financial backing to cover the costs related to their removal, if they become a hazardous wreck.

On the prevention front, this legislation addresses irresponsible vessel management that can increase the risk of a vessel becoming abandoned or wrecked. The federal government will be able to direct owners to fix problems with their dilapidated or hazardous vessels; and if they don't, the federal government will do so, making owners liable for costs and expenses. The bill will

prohibit not only abandonment but also leaving a vessel adrift for more than 48 hours without working to secure it, or leaving vessels in very poor condition in the same area for more than 60 consecutive days without consent.

Several important amendments have been made to protect and preserve the rights of owners of found wrecks as well as the rights of salvors. For example, one of the elements of Bill C-64 will require that a public notice be posted for a minimum of 30 days to indicate that a wreck has been reported. The "Receiver of Wreck" will have to wait until the notification period before taking any action on a wreck. Should other efforts to identify or contact the owner fail, the public notice ensures the chance of finding the rightful owner and ensures the owner has an opportunity to come forward and claim their wreck.

The bill puts in place enforcement framework establishing strong regulatory offences and penalties to punish non-compliance. Enforcement of this new legislation will be shared between the Department of Transport and the Department of Fisheries and Oceans and the Canadian Coast Guard. This builds on the strengths and the distinct roles, mandates and capacities of each body.

Since the introduction of the bill last October, the Government of Canada has engaged with groups most affected by the issue of abandoned and wrecked vessels to hear views and concerns. This includes provincial and territorial governments, coastal communities, Indigenous groups, harbour and marina owners and operators, local law enforcement, vessel owners themselves and local community organizations who pride themselves on protecting and preserving the coastal waterways where they live.

Honourable colleagues, a relatively small but significant amendment was made by the Standing Senate Committee on Transport and Communications to this bill having to do with the protection of ocean war graves. I congratulate Senator Manning for taking on this amendment.

These are the sites of military vessels that were wrecked in Canadian waters and which sometimes contain the final resting places of Canadian soldiers and sailors who died while serving our country. As stated before, for many years, advocates such as World War II veteran Captain Paul Bender have been advocating for changes to Canadian law that would allow for the designation of such sites as heritage wrecks and would extend to them associated protections, such as making it illegal for salvagers to scavenge them. In recent years, it has become easier for drivers to access such sites due to improvements in technology, so the need to take action has become more urgent.

Similar protections already exist in other countries, including in some European countries whose waters contain the wrecks of Canadian vessels. We are long overdue in taking steps to enact such protections.

The amendment passed by the Senate Transport Committee makes it clear that heritage wreck regulation-making powers extend to the wrecks of Canadian and foreign military vessels and aircraft, non-commercial government vessels and mineral exploration vessels.

Further, the amendment includes mention of "ocean war graves," making clear that anything that is or was on board such a wreck, including associated human remains, can be protected, as can be wrecks and associated remains in any Canadian waters.

As the Senate sponsor for Bill C-64, I would like to extend my thanks to Senator Manning for crafting this amendment and for standing firm on making sure this amendment goes through as worded.

Honourable senators, our coasts and waterways are the common heritage and resources for all Canadians. They are crucially important to our environment, our communities, our economy and our way of life.

• (2130)

I hope you will vote in support of Bill C-64, which will go a long in effectively protecting these precious resources. Thank you.

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

Hon. Senators: Question.

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

Hon. Senators: Agreed.

(Motion agreed to and bill, as amended, read third time and passed.)

[*Translation*]

BUDGET IMPLEMENTATION BILL, 2018, NO. 2

THIRD READING

On the Order:

> Resuming debate on the motion of the Honourable Senator Pratte, seconded by the Honourable Senator Greene, for the third reading of Bill C-86, A second Act to implement certain provisions of the budget tabled in Parliament on February 27, 2018 and other measures.

Hon. Lucie Moncion: Honourable senators, I rise today to speak to Bill C-86. Given the sheer size of this bill, which has more than 800 pages, the many elements it contains and our individual workload as senators, we don't have enough time to study bills of this scope in detail.

[*English*]

In his speech at third reading, Senator Pratte highlighted six main components of Bill C-86: The new pay equity legislation, the modernization of the Canada Labour Code, the consumer protection regime for bank customers, the climate action rebate where the federal carbon levy will apply, amendments to the Canada Business Corporations Act, and amendments to the First Nations Land and Fiscal Management Acts.

Although all the components of this omnibus bill are important, I chose to focus on two: Pay equity and the modernization of the Canada Labour Code.

[*Translation*]

On February 27, the Minister of Finance, Bill Morneau, released his budget entitled *Equality and Growth for a Strong Middle Class*, which contains the following information.

> In Canada today, women earn 31 per cent less than men do. Put another way, the median income for women is $28,120, compared with $40,890 for men.
>
> One of the main causes of the gender wage gap is the undervaluation of the work that has traditionally been done by women.

Division 14 of Bill C-86 enacts the Pay Equity Act, which seeks to remedy this problem by reducing the wage gap between men and women. The new law, which is based on the Ontario and Quebec models, requires ministers' offices and federal public and private sector employers that have 10 or more employees to establish and implement a pay equity policy. In the same vein, the bill amends the Parliamentary Employment and Staff Relations Act to add the provisions of the new Pay Equity Act so that the new pay equity provisions apply to Parliament while respecting parliamentary privileges.

[*English*]

The Pay Equity Act creates the position of pay equity commissioner to educate, investigate and enforce the law. The latter will have the power to investigate, issue orders, and impose administrative monetary penalties.

[*Translation*]

I want to point out that the Canadian Human Rights Act has recognized pay equity as a right for employees in federally regulated sectors since 1977. Bill C-86 amends the complaints-based regime to shift the onus from the employee to the employer by requiring the employer to conduct a pay equity analysis instead of requiring the employee to file a complaint for redress. In other words, the bill incorporates the provisions of the new Pay Equity Act into the human rights legislative framework in order to create a proactive, rather than reactive, pay equity regime.

[*English*]

This bill does not create any new substantive changes, but creates obligations for employers that change according to the size of their workforce.

Compared to section 15A of Bill C-86, which deals with the Canada Labour Code, the Pay Equity Act will apply in both federally regulated and private sector workplaces. The Parliamentary Employment and Staff Relations Act will be amended in accordance with the enactment of the Pay Equity Act, so that the same obligations are imposed on the parliamentary work environment, such as the senators' and the cabinet of ministers' offices.

This portion of the bill therefore has a considerably broader scope than the bill to amend the Canada Labour Code. It extends essentially to all federal entities.

[*Translation*]

The new Pay Equity Act gives employers three years after becoming subject to the act to develop a pay equity plan. It sets out what must be in the plan, how the pay equity obligations and objectives achieved must be communicated in the workplace, the requirements for consulting employees on the pay equity plan, and the obligation to submit an annual report on pay equity to the Pay Equity Commissioner.

Although we are pleased that this act is included in Bill C-86, we would have preferred to study it separately. We could have examined this aspect more thoroughly and made amendments that would only have improved the way the Pay Equity Act works.

[*English*]

I will now focus on the Canada Labour Code. Bill C-86 amends the Canada Labour Code to provide federal private sector employees with better minimum employment standards. The bill is aimed primarily at employees in precarious employment where conditions of employment depend on the legislation. This bill does not target the federal public sector or the regulation of union labour relations, and therefore does not interfere in any way with the purpose of Bill C-62. The portion of Bill C-86 in question affects only 6 per cent of the Canadian workforce, or 904,000 employees. Of these, 67 per cent are more directly targeted, representing the proportion of non-unionized employees in the federal private sector.

[*Translation*]

Generally speaking, the purpose of Bill C-86 is to make things better for employees whose working conditions are precarious, who have no benefits, whose positions are temporary or casual and who are often poorly paid. Women, Indigenous individuals, visible minorities, new immigrants and youth are over-represented among these workers.

The bill mainly targets non-unionized employees whose working conditions are dependent on legislation and the employer's good will. Unlike unionized employees, they do not have the opportunity to negotiate their working conditions periodically.

Subdivision A of Division 15 of Part 4 of Bill C-86 amends parts II and III of the Canada Labour Code to modernize labour standards for federally regulated private-sector employees. Part II of the Canada Labour Code sets out occupational health and safety standards, and part III sets out minimum employment

standards for things such as hours of work, minimum wages, annual vacations, holidays, termination of employment and severance pay.

[*English*]

The modernization of the labour system refers to the stagnation in the evolution of minimum standards in Canada since the 1960s which were developed in a context where most jobs were full-time, permanent and offered good wages and benefits. Legislation has not evolved in conjunction with today's working conditions. Bill C-86 attempts to address this problem.

The amendments proposed in Bill C-86 are the result of consultations with the public, unions, labour organizations, employers and employers' organizations, academics, experts and groups. The proposed amendments are based on provincial labour standards, particularly in Ontario. The consultations revealed that, generally, federal private sector employers offer minimum employment standards that meet or exceed the working conditions proposed in Bill C-86.

The amendments to the code do not apply to provincial employment standards legislation and do not apply to the public and private sectors subject to provincial legislation.

[*Translation*]

Changes to the code will affect about 18,500 employees in the federally regulated private sector. Federally regulated private-sector companies, which are governed by parts II and III of the Labour Code, include Crown corporations; companies in the telecommunications, broadcasting, trucking, merchant marine, railway, interprovincial transportation, aviation, banking and nuclear energy sectors; activities related to maritime navigation and the merchant marine; and certain First Nations activities, such as uranium extraction, fisheries protection, and local businesses in Yukon, Nunavut and Northwest Territories.

• (2140)

The major changes to the bill have to do with employees' eligibility for maternity leave, parental leave, leave related to critical illness and leave related to the death or disappearance of a child, specifically eliminating the length-of-service requirements. They also relate to unpaid breaks and the specific circumstances surrounding how they are granted. They broaden the scope of application for health care professionals and regulate scheduling notices, leave for victims of family violence as well as personal leave, annual leave, leave for jury duty and leave for members of the Reserve Force. They include prohibitions on having different salaries based on employment situations and rules regarding the minimum age for dangerous work, and they protect the employees of temporary employment agencies. They regulate standards related to termination when it comes to financial compensation and advance notice.

[*English*]

Here again, while we are pleased with the changes we are making, we regret that we have not had enough time to further study this part of Bill C-86.

[*Translation*]

As a member of the Standing Senate Committee on National Finance, I was tasked with reviewing Bill C-86 in its entirety. From this large, 800-page bill, I decided to focus on two components: pay equity and employment standards. As a former business leader, I wanted to ensure that the proposed changes were acceptable to small and medium-sized enterprises.

I support Bill C-86 and will vote in favour of passing it. I thank you for your attention.

[*English*]

Hon. Frances Lankin: Honourable senators, this budget implementation bill of 2018 introduces a number of policies that were set out in Budget 2018. It contains several progressive and well-received provisions, in particular, those relating to improving the state of work in Canada. My colleague Senator Moncion has spoken both to pay equity and the Labour Code amendments, which I had also chosen to speak to. The good news is that I will dramatically shorten my comments.

With respect to the Pay Equity Act, as you have heard, it creates a proactive pay equity regime for federally regulated employees. This has been long-awaited. It's good news that it is being brought forward. It puts in place a framework for different workplaces to come up with committees within the workplace, to come up with plans and chart a course to pay equity. Most importantly, it establishes the office of the federal pay equity commissioner, with a broad mandate worthy of the task at hand, including enforcement, dispute resolution and deeper study, while also giving the commissioner the power to achieve those objectives. Nevertheless, it falls short in a number of key aspects.

Those areas have been identified in an observation appended to the report of the Standing Senate Committee on National Finance to this chamber. I look forward to the government's implementation of our call for review of these issues within a six-year time frame. I have been informed by the minister responsible that she in fact is supportive of this review.

I want to inform senators that I hope in the near future to put forward a motion, with the support of Senator Andreychuk, who I think will speak next, which would direct a committee of the Senate to undertake a review of this act even sooner. Once the pay equity commissioner is appointed, I believe this review can be helpful to her or him in developing interpretation and practice notes to help guide the parties.

The budget bill also includes other measures on gender issues, including the Canadian gender budgeting act, which we are told will ensure broader and more consistent use of GBA+ for federal programs. Senator Dasko is doing a deep dive into this. I look forward to working with her in examining the actual provisions of this bill, to monitor its implementation and assess whether it meets the mark or falls short of the goal that we have all set out for GBA+ in federal analysis.

The department for women and gender equality will elevate the Status of Women Canada to a full department, and amendments to two other acts allow for additional parental leave if shared between parents.

We also have strong improvements to the Labour Code which Senator Moncion just identified for you. In many ways, it is very commendable and progressive, and I fully support this legislation. I will say once again there are potential problems in interpretation, for example, with the language and definition of "wage." In the Labour Code, "wage" is defined as including all compensation that has a monetary value, so that would be pensions, RRSP contributions, pension plan contributions, for example. In this legislation, the comparison for those employees who are part-time, casual or seasonal, the most precarious of employment, are restricted to an examination and an equality treatment of the rate of wage. There is no definition of "rate of wage." Will the use of different words produce a different result or will the definition of "wage" be pre-eminent in the consideration of adjudicators and courts as they look at this down the road?

Lastly, I want to comment on the area that Senator Moncion just touched on. It is the fact that these bills, and many others, are contained in omnibus legislation. The complexity of some of these bills are impossible to deal with fully and comprehensively within a shortened time period in dealing with it in an omnibus bill.

I want to give you a comparison example on pay equity. In Ontario — I was around and involved in lobbying the government of the day to bring forward proactive pay equity — the minister responsible issued a green paper in November 1985, then a first bill was brought forward in February 1986, followed by a broader replacement bill in November 1986. The Pay Equity Act received Royal Assent in June 1987.

That's a two-year track of study amendments and debate with respect to this bill. I don't suggest that the same is required here. We have both Ontario and Quebec as leading jurisdictions to look to for the establishment of proactive pay equity and much can be learned from those jurisdictions. There is much we have learned that was inadequately reflected in the bill we have in front of us.

In the case of Quebec, their Pay Equity Act was first introduced in the National Assembly in May 1996. It passed six months later. Meanwhile, Bill C-86, of which pay equity is only a small part, first landed in the other place six weeks ago today. This is a vicious circle. Regardless of which party occupies which side of the aisle, the back and forth of government often seeking acceleration, and opposition often seeking delay, rarely serves the interests of Canadians. This might be expected in the context of a partisan chamber like the House of Commons, but in a bi-cameral system like ours, I agree with the Senate Modernization Committee that the practice of omnibus legislation, paired with time pressures arising from the aforementioned gamesmanship, disabled this chamber from doing its duty, a full review, fulsome analysis, deliberation and consideration.

Honourable senators, I'm pleased to have had the opportunity to place these remarks on the record. Thank you very much.

Hon. A. Raynell Andreychuk: Honourable senators, I too rise today to speak to Bill C-86, the Budget Implementation Act. Before I turn to some other comments, I want to point out that when I came into this chamber, we did have budget implementation acts that went to the very core of budget implementation. Very shortly thereafter, I would see clauses in the implementation act that didn't seem to fall in with the budget.

We were told they were merely housekeeping sections put in for convenience and efficiency. In other words, when the government found some shortcomings in some bills, not germane to the full body of the bill but ancillary to it in the operations, they would say, "This was the first opportunity and we put it in there." That seemed to be a satisfying rebuttal and we accepted it.

Slowly, this idea of housekeeping turned into full-scale bills being embedded in the Budget Implementation Act. That's what Senator Moncion and Senator Lankin have alluded to. I want to add my voice to the fact that it was a little churlish, the thought of one of the press today saying that the bill, in Finance, took 19 minutes to pass when, in fact, we had put it to all of the committees that had some issue they could deal with. It went to the Finance Committee, and we did many hours of debate and study, individually and as a committee. The fact that it was 19 minutes I think is unfair.

• (2150)

The point still is, what is really unfair is an omnibus bill. It seems that whether we change governments or not, that appetite for increasing the length of implementation bills needs to be addressed, and perhaps this is the chamber that can put its foot down.

In particular, I want to raise and share a few of my concerns regarding Division 14 of Part 4 and the proposed pay equity act. It is timely that I rise to speak to this issue today, on International Human Rights Day. This year, we mark the seventieth anniversary of the adoption of the UN Universal Declaration of Human Rights. As we celebrate the achievements made to date, we acknowledge that the fight for freedom, equality and universal human rights continues. Achieving pay equity is an important step toward realizing these goals.

Division 14 of Part 4 of Bill C-86 seeks to introduce proactive pay equity legislation. This legislation would require all employers in federally regulated workplaces to develop pay equity plans, and I'm pleased that my colleagues have expanded on those points.

While I support pay equity and the objectives of Division 14, I do not believe that the clauses contained within this division sufficiently address pay equity issues. Moreover, of great concern to me was the government's decision to embed pay equity legislation within an omnibus budget bill nearly 900 pages long. This concern was raised by witnesses appearing before the Standing Senate Committee on National Finance during our review of the bill.

Allow me to share with you the comments of Mr. Derrick Hynes, President and Chief Executive Officer of the Federally Regulated Employers — Transportation and Communications, more commonly known as FETCO. He said:

> This issue of pay equity is a critical one and it was a platform commitment of the government. We spent a lot of time on it. For it to be tucked in the back of a budget bill we found disconcerting. . . . There are changes to the Canada Labour Code also in there that we're managing at the same time, so I'd say that's complicated.

Colleagues, legislation addressing significant public policy issues merits thorough parliamentary review and scrutiny. When legislation addressing these issues is inserted in an omnibus bill, it becomes very difficult for parliamentarians to adequately fulfil their duties.

Aided by the reports of other Senate committees, the Standing Senate Committee on National Finance worked expeditiously to review Bill C-86. Nevertheless, an issue as significant as pay equity should be addressed in stand-alone legislation. This would have enabled proper debate and consideration that could have served to educate employers and the public on key issues related to pay equity.

While we may know what pay equity is, I can assure you that is not a discussion you can have with average Canadians. It is a concept that sounds good, but when they want to know what it is, it's more than just a quick definition. It is applied differently, and it deserved to get that attention from the public.

Moreover, a thorough review may have assisted in addressing key stakeholders' concerns, either through more rigorous debate or amendments. Key concerns were raised to our committee regarding language and interpretation of certain clauses of the bill. Of note is the interpretation of the phrase "while taking into account the diverse needs of employers" contained in the purpose section.

Appearing before the committee, Monette Maillet, Senior General Counsel for the Canadian Human Rights Commission, stated:

> It's hard to predict how it will be used in litigation or whatever forum. At this point for us, it is a flag. That purpose clause is meant to describe the purpose of the legislation and that it goes a bit beyond that in this purpose clause.

In other words, it could be far-reaching or it could be narrowed. We have no idea. And it may be litigious, time-consuming and counterproductive.

The Canadian Labour Congress raised further concerns regarding the language surrounding voting in pay equity committees as set out in clause 20(1) and the compensation exemptions contained in clause 46(f).

In light of these and other concerns raised, observations were adopted by the Standing Senate Committee on National Finance. I'm pleased. I would have preferred amendments, but I believe that within our scope, the observations were necessary. They call on the government to initiate a parliamentary review in six years at the latest. My difficulty is that six years is an awfully long time, and inertia takes hold often within bureaucracies and governments.

The observations that we put forward suggest eight areas of concern that should be examined during this review. These are key issues involved in pay equity that should have been addressed by the government through legislation at an earlier time and proposed so that the process and procedure were outlined. Having a fine, pious statement or, in fact, a commitment to pay equity is not sufficient. It is always in the details of the legislation that we find the expressed wishes of the government wanting.

While I accepted these observations, I fear it will do little to move pay equity forward in Canada. Amendments to the bill would have been better, in my opinion, to respond to these issues.

Once again, if we look at the observations, we have said that we should know in six years' time the impact and possible discriminatory effects. In other words, we know we're getting some kind of pay equity. We have no idea how functional, how efficient, how practical and whether, in fact, it achieves the purpose that the government has stated.

Honourable senators, I do believe it is not the role of the Senate to craft procedures, practices and implementation. The government should have done that in this very serious area. Not having done it, our observations are there, and I join with Senator Lankin in saying that perhaps there is a role for the Senate to properly address the pay equity issue. Therefore, it is not the Senate's fault that we get 800 pages, but we will do the best we can within our parliamentary mandate.

Thank you, honourable senators.

[*Translation*]

Hon. Percy Mockler: In my mind, there is no doubt that Bill C-86 leaves many questions unanswered and problems unsolved.

[*English*]

I want to discuss a few subject matters within Bill C-86.

[*Translation*]

I rise this evening to speak at third reading of Bill C-86, A second Act to implement certain provisions of the budget tabled in Parliament on February 27, 2018 and other measures.

[*English*]

As a team in the Finance Committee, on behalf of myself and the two deputy chairs, Senator Jaffer and Senator Pratte, we want to say thank you to the members of the committee who attended

extensive hours of briefings and meetings to study this massive bill and who thoughtfully and thoroughly questioned officials and witnesses.

We also thank the senators who are not regular members who appeared at a few of our meetings to review areas of concern.

The committees have already presented their reports in the chamber. We want to take this opportunity to thank them for the work they did in regard to Bill C-86.

• (2200)

A lot of work and hours have been put into the examination of Bill C-86. We are hoping that the government will take the time to read the observations and recommendations with lots of attention, as they were presented for the benefit of all Canadians from coast to coast to coast.

Honourable senators, I'd like to highlight a few concerns. Canadians are concerned about Divisions 3 and 10, which make significant changes to the Trust and Loan Companies Act, the Bank Act, the Insurance Companies Act, the Canada Deposit Insurance Corporations Act, the Financial Systems Review Act, the Office of the Superintendent of Financial Institutions Act and the Financial Consumer Agency of Canada Act.

Honourable senators, a new way of dealing with budgets is seeing the government taking dividends. It is a new practice started by the present government. We remember that Senator Eaton has many times questioned officials, even ministers, on housing in the North, food and security, considerable health inequities, education facilities and the list could go on.

However, let us look at the new approach of dividends. I will give you a few examples concerning what the Government of Canada is doing now. The Government of Canada took a dividend of $145 million from the Canada Mortgage and Housing Corporation in May 2017. In June 2017, it took another $4 billion. This past November, the government took another $1 billion dividend. Let us also look at the dividends that they take from EDC, the Economic Development Corporation. It paid the government a dividend of $969 million, bringing movement of money by this government of a total of $4.8 billion in dividends from the EDC to date.

[*Translation*]

Honourable senators, we have other concerns. Division 7 amends the Copyright Act, the Patent Act, the Trade-marks Act, as well as provisions on the Office of the Registrar of Trade-marks.

[*English*]

Honourable senators, let me also share with you this: Division 14 enacts the pay equity act. I believe that the real challenge for the pay equity legislation will be implementation, which requires a change in direction and culture in every federal sector of employment, not just in one bureaucracy established to supervise others. I worry the government is not listening. Let me share a few examples.

We had 56 amendments brought to the House of Commons, mainly related to this section. Many of the amendments arose from recommendations suggested by the Ontario Equal Pay Coalition, the Canadian Labour Congress, the Canadian Union of Public Employees, Teamsters Canada and the Public Service Alliance of Canada. Honourable senators, last Friday, Senator Lankin presented at the meeting of the National Financial Committee some observations in regard to the pay equity act:

> Considering the concerns expressed by a certain number of witnesses, your committee calls for the Government of Canada to initiate a parliamentary review in six years' time . . . .

— and suggested many proposed changes to certain areas of the act.

Well done, Senator Lankin, but we will need to be very prudent and careful in the future.

Honourable senators, Divisions 11 and 12 amend the First Nations Land Management Act and the First Nations Fiscal Management Act. It provides authority for the addition of lands to First Nations' lands by order of the minister and the transfer of capital monies, and also provides another option for First Nations to access monies held by Her Majesty for their use and benefit. Our colleagues have explained sensitivities of this division. I will just say that I agree wholeheartedly regarding the importance of meaningful consultation. First Nations have too often been ignored by government.

Honourable senators, this concludes my comments on Bill C-86. Thank you.

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

Hon. Senators: Question.

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

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker *pro tempore*: On division?

An Hon. Senator: No.

The Hon. the Speaker *pro tempore*: All those in favour of the motion will please say "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker *pro tempore*: All those opposed to the motion will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker *pro tempore*: In my opinion, the "yeas" have it.

And two honourable senators having risen:

The Hon. the Speaker *pro tempore*: When will the vote take place?

Senator Plett: Thirty minutes.

The Hon. the Speaker *pro tempore*: The vote will take place at 10:36 p.m.

Call in the senators.

• (2230)

Motion agreed to and bill read third time and passed on the following division:

YEAS
THE HONOURABLE SENATORS

Bellemare	Harder
Bernard	Hartling
Black (*Ontario*)	Joyal
Boehm	Klyne
Boniface	LaBoucane-Benson
Bovey	Lankin
Boyer	Marwah
Busson	Massicotte
Campbell	McCallum
Christmas	Mégie
Cormier	Mercer
Coyle	Mitchell
Dalphond	Miville-Dechêne
Dasko	Moncion
Deacon (*Nova Scotia*)	Omidvar
Dean	Pate
Duffy	Petitclerc
Forest	Pratte
Forest-Niesing	Ravalia
Francis	Saint-Germain
Furey	Simons
Gagné	Sinclair
Gold	Wetston
Greene	Woo—49
Griffin	

NAYS
THE HONOURABLE SENATORS

Andreychuk	Martin
Ataullahjan	McInnis
Batters	McIntyre
Beyak	Mockler
Boisvenu	Neufeld
Carignan	Oh
Dagenais	Patterson
Doyle	Plett
Eaton	Poirier
Frum	Seidman
Housakos	Smith
MacDonald	Stewart Olsen
Maltais	Tannas
Manning	Tkachuk
Marshall	Wells—30

ABSTENTION
THE HONOURABLE SENATOR

Wallin—1

• (2240)

[*Translation*]

APPROPRIATION BILL NO. 3, 2018-19

THIRD READING

Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate) moved third reading of Bill C-90, An Act for granting to Her Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2019.

She said: Honourable senators, I'll be very brief in my comments. I have no desire to repeat the speech I gave last week.

Basically, this is the third appropriation bill. In this particular case, you're being asked to approve $7.5 billion worth of expenditures not included in the previous estimates. There's a list of those expenditures. I'll be happy to answer any questions you may have. Thank you.

Hon. Senators: Hear, hear!

[*English*]

Hon. Elizabeth Marshall: Honourable senators, I won't be as brief as Senator Bellemare, but I will be brief. The bill before you today for third reading of Appropriation Bill No. 3 provides

for the release of the supply for supplementary estimates and now seeks Parliament's approval to spend an additional $7.5 billion in voted expenditures. It also indicates an increase of $555 million in statutory items.

The Standing Senate Committee on National Finance has prepared a brief analysis, which was tabled in our thirty-fifth report, the report on the Supplementary Estimates (A). We have before the Senate our third appropriation bill for this year, which will allow funds to be released based on the requirements outlined in the schedule of votes attached to Bill C-90 and including in the annex to the Supplementary Estimates (A).

As a committee, we studied the Main Estimates for the year, in addition to the supplementary estimates, as funding requirements are adjusted throughout the year.

Our committee heard from several officials from ten government departments and reviewed the spending of 83 per cent of the funds being requested in the appropriation bill.

To summarize, with the addition of Supplementary Estimates (A), it will bring government spending to $285 billion so far this year, and we expect this to increase with additional appropriation acts to follow.

Government revenues are not expected to be sufficient for expenditures estimated. As a result, this year, the government expects to borrow $35 billion. As debt increases and as interest rates increase, so will the cost of interest on the debt. In fact, interest will increase from $24 billion this year, to $34 billion within five years. As the government pays more interest on debt, it will crowd out the funding for other programs.

Deferring debt to future generations is not a viable solution. As senators, we need to speak on behalf of Canadians to demand that spending be balanced with foreseeable revenues. Thank you.

Some Hon. Senators: Hear, hear!

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

Hon. Senators: Question.

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

Some Hon. Senators: Agreed.

An Hon. Senator: On division.

(Motion agreed to and bill read third time and passed, on division.)

CANADA-MADAGASCAR TAX CONVENTION BILL, 2018

THIRD READING

On the Order:

> Resuming debate on the motion of the Honourable Senator Greene, seconded by the Honourable Senator Gold, for the third reading of Bill S-6, An Act to implement the Convention between Canada and the Republic of Madagascar for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

Hon. Richard Neufeld: Honourable senators, I rise today to speak at third reading to Bill S-6, An Act to implement the Convention between Canada and the Republic of Madagascar for the avoidance of double taxation. I will be brief.

Canada and Madagascar share a modest trade relationship. Canada's direct investment in Madagascar totals $28 million, much of it coming from the Toronto-based mining company Sherritt International. Annually, we export $16 million worth of goods, mainly machines, mechanical and electrical products. We import approximately $99 million worth of goods from Madagascar, mainly mineral products, produce and textiles.

Two witnesses appeared before the Foreign Affairs and International Trade Committee, both from the Department of Finance Canada, to address Bill S-6.

Ted Cook, Director General, Tax Legislation, explained that this bill seeks to achieve two main objectives. He said that the first is to avoid double taxation, and that's in order to promote bilateral trade and investment between Canada and Madagascar; and the second is to prevent tax evasion and tax avoidance, particularly by encouraging the exchange of information.

Mr. Cook also told committee members that this tax treaty is modelled after the OECD Model Tax Convention on Income and on Capital, but has been slightly modified to account for particular elements of Canada's tax system.

The OECD model, it seems, is the go-to model for most tax treaties in the world.

• (2250)

The agreement, once ratified by Canada, will come into force as it was already ratified by Madagascar. The initial agreement was signed in November 2016. It has taken Canada nearly two years to table its bill before Parliament. One may wonder what took the government so long.

In any event, I believe this is a non-controversial and pretty straightforward bill. Once ratified, this will be Canada's ninety-fourth such convention.

I also want to point out that the committee reported the bill with the following observation:

> The Committee encourages the government to continue monitoring the political situation in Madagascar as it implements the Convention.

As you will remember, I'm sure, I highlighted in my speech at second reading that the country was in the midst of a presidential election, that it was subject to much political instability and that there has been a high crime rate over the years. I think the committee made a sound observation and I hope the government will take it seriously.

In spite of this reality, I support this bill and I would recommend we proceed, without delay, to a third reading vote. Thank you.

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

Hon. Senators: Question.

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

Some Hon. Senators: Agreed.

Senator Plett: On division.

(Motion agreed to and bill read third time and passed, on division.)

(*At 10:52 p.m., the Senate was continued until tomorrow at 2 p.m.*)

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