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Friday, March 22, 2019

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

Friday, March 22, 2019

The Senate met at 9 a.m., the Speaker in the chair.

Prayers.

[*Translation*]

ROUTINE PROCEEDINGS

APPROPRIATION BILL NO. 1, 2019-20

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-96, An Act for granting Her Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2020.

(Bill read first time.)

[*English*]

SECOND READING

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

Hon. Peter Harder (Government Representative in the Senate): Honourable senators, with leave of the Senate and notwithstanding rule 5-6(1)(f), I move that the bill be read the second time now.

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

Hon. Senators: Agreed.

Hon. Peter Harder (Government Representative in the Senate): Honourable senators, I rise today to introduce in second reading Bill C-96, An Act for granting to Her Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2020.

As you know, Parliament must approve appropriations granted to the government to finance expenses related to the functioning of the government and its programs. The bill before you, Appropriation Act No. 1, deals with estimates included in the 2019-20 Interim Estimates tabled in the Senate on February 19, 2019.

The Standing Senate Committee on National Finance has done a study and tabled a report on Wednesday which we in this chamber adopted yesterday.

I'd like to take this opportunity to once again thank our colleagues on the committee of National Finance for their excellent work on the study of the draft estimates.

As was explained in earlier speeches, the financial cycle has been subject to significant changes. In June 2017, the House of Commons approved a motion to change Standing Order 81. Beginning in 2018-19 and for the duration of this Parliament: The government will table an interim estimates on or by March 1 to support Parliament's scrutiny of interim supply; and the deadline for tabling of Main Estimates is delayed to April 16 increasing the likelihood that the budget will precede rather than follow it, as is the case this year as well as last.

These changes address the government's commitment to provide more coherent information to Parliament and to align the federal budget and the estimates.

[*Translation*]

The appropriation bill before us presents the total planned spending set out in the 2019-20 Interim Estimates. The estimates provide information in support of \$37.7 billion in voted budgetary expenditures and \$14.3 million in non-budgetary voted expenditures.

[*English*]

The 2019-20 Interim Estimates document includes an overview of spending requirements for the first three months of the fiscal year as they compare to the 2018-19 estimates; a list of planned grants and contributions to allow organizations to make payments as of April 1, 2019; and the proposed schedules to the first appropriations bill.

This bill ensures the financial needs of the government for the first three months of the fiscal year. It must be approved by parliamentarians in both chambers before the start of the fiscal year, 2019-20 which begins April 1, which is why the bill is before us today.

If not approved, wages cannot be paid and several expenses will have to be postponed and programs for Canadians will be jeopardized. The total planned expenditure will be presented in the 2019-20 Main Estimates. Funding for the remaining nine months will be sought through Appropriation Act No. 2 by June of this year. That concludes my presentation on this bill and I urge its adoption.

Hon. Nicole Eaton: Honourable senators, I rise today to speak to Bill C-96 at great length, An Act for granting to Her Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2020.

Colleagues, this bill would provide federal government departments with \$37.7 billion for the first three months of the fiscal year that begins April 1. This interim supply bill follows from the Interim Estimates which the Standing Senate Committee on National Finance has reviewed.

Chairman Mockler tabled the committee report on Wednesday. The Honourable Jane Philpott, former President of Treasury Board and Minister of Digital Government and representatives from the Treasury Board appeared before the committee in support of the estimates that form the basis of this bill.

The sum of money for the Interim Estimates is calculated on the basis of contractual obligations which include salaries of staff and other projects that federal government departments require in the first three months of the fiscal year.

In previous years, under normal circumstances, these obligations made up 25 per cent of each department's fiscal requirement which would be contained in the Main Estimates. Currently, honourable senators, the calculation of this amount has become blurred because the Main Estimates are not yet available. Additionally, interim estimates provide no detailed explanations for the proposed spending effectively inhibiting our duty of parliamentarians to scrutinize spending.

It is reasonable to see fluctuations in departmental budgets based on several factors including hiring needs and unexpected and emergency situations. But these fluctuations need to be detailed so that we as parliamentarians can assess whether or not they are appropriate.

Additionally, there are no new organizations included in the interim estimates like the Leaders' Debate Commission which does not have budgetary information from previous years. Moreover, interim estimates as compared to last year's Main Estimates vary widely by department. For example, the Windsor-Detroit Bridge Authority has seen an increase of 102 per cent in its interim estimates request in relation to the previous year's Main Estimates. Again we have not been given any explanation for the increase.

Last year at this time we passed Bill C-73 which granted authority for \$30.9 billion in spending.

• (0910)

Why the dramatic increase — 22 per cent, actually — for interim supply this year? We do not know.

Is it unreasonable that we are expected to pass the interim estimates without knowing how they relate to the Main Estimates; that is, what percentage of the total fiscal expenditures of each department the interim estimates comprise?

The government is in the second year of a two-year pilot project that is intended to align the estimates with the budget more effectively. This process was launched by former Minister Brison. It seems like only yesterday he was appearing in front of National Finance, but we are on our third Treasury Board President since his resignation.

These estimates reform what was supposed to improve transparency and accountability and allow the government to implement its budget more quickly, but it is clear that this process impedes our ability as parliamentarians to carry out our duties.

[Senator Eaton]

This bill will pass, monies will be granted, and only in the spring will we know where the money was spent. That is not transparency and needs to be fixed. Thank you.

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 second time, on division.)

THIRD READING

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

Hon. Peter Harder (Government Representative in the Senate): Honourable senators, with leave of the Senate and notwithstanding rule 5-5(b), I move that the bill be read the third time now.

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

Hon. Senators: Agreed.

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.)

(The sitting of the Senate was suspended.)

[*Translation*]

(The sitting of the Senate was resumed.)

• (1010)

ROYAL ASSENT

The Hon. the Speaker informed the Senate that the following communication had been received:

RIDEAU HALL

March 22nd, 2019

Mr. Speaker:

I have the honour to inform you that the Right Honourable Julie Payette, Governor General of Canada, signified royal assent by written declaration to the bills listed in the Schedule to this letter on the 22nd day of March, 2019, at 9:44 a.m.

Yours sincerely,

[English]

Marie-Geneviève Mounier
Associate Secretary to the Governor General

ADJOURNMENT

MOTION ADOPTED

The Honourable
The Speaker of the Senate
Ottawa

Hon. Peter Harder (Government Representative in the Senate) moved:

That, when the Senate next adjourns after the adoption of this motion, it do stand adjourned until Tuesday, April 2, 2019, at 2 p.m.

Bills Assented to Friday, March 22, 2019:

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

An Act for granting to Her Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2019 (*Bill C-95, Chapter 3, 2019*)

Hon. Senators: Agreed.

(Motion agreed to.)

An Act for granting Her Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2020 (*Bill C-96, Chapter 4, 2019*)

(*At 10:19 a.m., pursuant to the orders of March 21, 2019, and of earlier today, the Senate was continued until Tuesday, April 2, 2019, at 2 p.m.*)

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