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The Honourable RAYMONDE GAGNÉ,
Speaker

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THE SENATE

Tuesday, June 17, 2025

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

Prayers.

[Translation]

BUSINESS OF THE SENATE

The Hon. the Speaker: Pursuant to the order of June 12, 2025, I leave the chair for the Senate to resolve into a Committee of the Whole to consider the subject matter of Bill C-5, An Act to enact the Free Trade and Labour Mobility in Canada Act and the Building Canada Act. The Honourable Senator Cormier will chair the committee.

[English]

ONE CANADIAN ECONOMY BILL

CONSIDERATION OF SUBJECT MATTER IN COMMITTEE OF THE WHOLE

On the Order:

The Senate in Committee of the Whole in order to receive the Honourable Dominic LeBlanc, P.C., M.P., President of the King's Privy Council for Canada and Minister responsible for Canada-U.S. Trade, Intergovernmental Affairs and One Canadian Economy, and the Honourable Rebecca Alty, P.C., M.P., Minister of Crown-Indigenous Relations, with each minister accompanied by at most three officials, and such other witnesses as may be determined according to the process established in the order, to consider the subject matter of Bill C-5, An Act to enact the Free Trade and Labour Mobility in Canada Act and the Building Canada Act.

(The sitting of the Senate was suspended and put into Committee of the Whole, the Honourable René Cormier in the chair.)

The Chair: Honourable senators, the Senate is resolved into a Committee of the Whole to continue its study of the subject matter of Bill C-5, An Act to enact the Free Trade and Labour Mobility in Canada Act and the Building Canada Act.

Honourable senators, in a Committee of the Whole, senators shall address the chair but need not stand. Under the Rules, the speaking time is 10 minutes, including questions and answers, but, as ordered, if a senator does not use all of their time, the balance can be yielded to another senator.

The list of all currently confirmed witnesses for the Committee of the Whole on the subject matter of Bill C-5 today was distributed to senators electronically with the Scroll Notes, and the pages can provide senators with that list upon request.

The committee will first receive the Honourable Dominic LeBlanc, P.C., M.P., Minister responsible for Canada-U.S. Trade, Intergovernmental Affairs and One Canadian Economy, and the Honourable Rebecca Alty, P.C., M.P., Minister of Crown-Indigenous Relations. I would now invite them to enter, accompanied by their officials.

(Pursuant to the order of the Senate, the Honourable Dominic LeBlanc, the Honourable Rebecca Alty and their officials were escorted to seats in the Senate Chamber.)

The Chair: Ministers, welcome to the Senate. I would ask you to introduce your officials and to make your opening remarks.

Hon. Dominic LeBlanc, P.C., M.P., Minister responsible for Canada-U.S. Trade, Intergovernmental Affairs and One Canadian Economy: Mr. Chair, honourable senators, thank you for the invitation. I see you introduced my new colleague, someone I worked with when she was Mayor of Yellowknife. I believe this is her first appearance before a Committee of the Whole in the Senate. Thank you for having us.

[Translation]

Mr. Chair, with me today is Christiane Fox, Deputy Clerk of the Privy Council Office and Deputy Minister of Intergovernmental Affairs, along with Sarah Jackson and Daniel Morin, who are also from the Privy Council Office.

Mr. Chair, thank you for having me. It is a privilege to be in the presence of a Speaker pro tempore and Chair of this Committee of the Whole who is from my home province of New Brunswick.

I also want to acknowledge a very important moment for me personally.

[English]

I have had the privilege of working closely with Senator Marc Gold for a number of years. I chair the Operations and Parliamentary Affairs Committee of cabinet, where Senator Gold is a standing invitee and participates in those conversations.

Senator, you have made an enormous contribution to Canada through your service in this place. You look 54 years old, but you are actually 74 years old. Senator Gold will, as you know, colleagues, be leaving this chamber but not without having made an enormous contribution to our country. I wanted to identify that, senator, before we begin.

[Translation]

Senator Gold, I want to let you in on a secret: There's a cake waiting for you at the Operations and Parliamentary Affairs Committee of cabinet.

Honourable senators, I am here to speak to you about the importance of moving forward with Bill C-5 and the merits of the approach we are planning to take with this bill, an approach that will enable us to take advantage of the opportunity to make Canada a more prosperous and sovereign country.

Our country is at a turning point. The choices we make today will determine our country's economic future. Our workers, our industries and our sovereignty are being threatened by U.S. tariffs. The world is becoming increasingly unstable.

I was in Calgary this morning, where I attended the G7 meeting with the Prime Minister, and we met with Mr. Trump yesterday morning. In this new context, Canadians expect their government to act decisively to protect our national interests. They expect us to set aside our old ways of doing things and to rise to the challenge ahead in a spirit of solidarity and determination.

[English]

Honourable senators, if Canada is to emerge stronger from this moment, we must give ourselves the ability to connect our resources, people and ambition from one coast to another to another and out to the world. Building transmission lines, ports, rail lines and energy infrastructure is about creating possibilities for every region of the country and for all our people.

• (1410)

It is about enabling our entrepreneurs, farmers, manufacturers and workers to compete, innovate and succeed at home and globally as well.

This is a time when the national interest calls for the federal government to step up, catalyze investment and accelerate federal approvals for projects that are of national significance and in our national interests.

Bill C-5 is our response to this "hinge moment." It enables the kind of nation-building initiatives that will power our economy, drive greater trade and secure our future, and we will do this in a way that aligns with our values and responsibilities as a country.

We will work together with provinces and territories, advance reconciliation through the economic participation of Indigenous peoples and ensure the continued protection of our environment.

This determination to work in lockstep with provinces, territories and Indigenous peoples, "to get big things done," was recently echoed in the discussions at which I was present with all of Canada's first ministers in Saskatoon two weeks ago.

On June 2, premiers from every political stripe expressed enthusiastic support for the potential that this approach represents. The time has come for us to do away with some traditional delays and focus our collective energy in delivering for Canadians. We believe Bill C-5 gives us an opportunity to do

that. To that end, our government will establish a major federal projects office that will act as a single point of contact and coordination for proponents.

The Prime Minister and his government have been very clear about our objectives. We are steadfast in our determination to position Canada as an energy and natural resources superpower. We will not only export raw materials, we will unlock value-added processing and innovation.

[Translation]

I wanted to sing the praises of my friend, Marc Gold, so I used up some of my time doing that.

Honourable senators, this bill is about affirming our national will. My colleague will touch on some important aspects of it, and I look forward to answering your questions and working with you.

Thank you.

[English]

Hon. Rebecca Alty, P.C., M.P., Minister of Crown-Indigenous Relations: Thank you very much. I would like to begin by recognizing the staff who are joining me tonight. Today we have Rob Wright, Georgina Lloyd and Bruno Steinke. I would like to begin by acknowledging that we are gathered on the unceded territory of the Algonquin, Anishinaabe people.

I am pleased to be here today in support of the one Canadian economy act, legislation that reflects our government's strong commitment to building Canada strong. This bill lays the foundation for one Canadian economy — an economy that works for all Canadians, including First Nations, Métis and Inuit peoples.

Minister LeBlanc has outlined the substance of the bill, and I will focus on how this legislation will be implemented with Indigenous peoples.

First, let me be absolutely clear: Major projects will only proceed under this act with meaningful consultation and accommodation with Indigenous peoples whose section 35 rights may be affected.

[Translation]

This act requires extensive consultation with Indigenous peoples, first during the national interest designation process, then while developing the conditions these projects will have to meet.

[English]

This requirement is not optional. It is protected under the Canadian Constitution and is embedded throughout the legislation.

Thanks to the efforts of Indigenous leaders, governments and representative organizations, and the important work done in this chamber, Bill S-13 passed last year, which amended the Interpretation Act to ensure that all legislation — including new

legislation like the one Canadian economy act — is interpreted in a way that upholds and does not diminish the Aboriginal and treaty rights recognized and affirmed in section 35 of the Constitution.

[Translation]

I wish to thank senators here for working to pass this bill. It is important to note that the act includes specific provisions regarding the consultations required to implement it.

[English]

We also have legal obligations under the United Nations Declaration on the Rights of Indigenous Peoples Act, as well as our modern treaties and self-government agreements, to ensure that the duty to consult and accommodate is honoured and honoured in full. As we undertake this nation-building effort, the principle of free, prior and informed consent must, and will, guide every project.

As mentioned, this legislation mandates that there must be meaningful consultation and accommodation with Indigenous peoples during both the process of determining which projects are in the national interest and the development of the rigorous conditions for each project.

In determining which projects proposed by Indigenous peoples, provinces and territories are in the national interest, we'll be evaluating them based on whether they do the following: (a) strengthen Canada's autonomy, resilience and security; (b) provide economic or other benefits to Canada; (c) have a high likelihood of successful execution; (d) advance the interests of Indigenous peoples; and (e) contribute to clean growth and to meeting Canada objectives with respect to climate change.

The legislation is incentivizing early engagement with Indigenous peoples. Proponents who don't engage with Indigenous peoples before bringing their projects forward for consideration under the legislation will be given a lower evaluation.

The intent of the legislation is to streamline the approvals process to advance major projects. We know that failing to uphold our legal responsibilities around consultation and accommodation will only lead to costly and time-consuming delays in the courts.

This legislation is about supporting projects that are not only shovel-ready but shovel-worthy projects that respect Indigenous knowledge and uphold Aboriginal and treaty rights. We'll be looking for projects that have Indigenous support and — better yet — Indigenous equity in the projects.

[Translation]

To ensure things are done properly, this historic bill provides for the creation of a new federal major projects office that will bring together all the relevant federal ministers and be tasked with establishing a single set of conditions that have to be met for the project to be approved. At the centre of this new office will be an Indigenous advisory council.

[English]

We will also be providing funding for Indigenous participation in this new process from start to finish.

At the same time, being a reliable partner to Indigenous peoples is not just about upholding the duty to consult and accommodate. Enabling the creation of long-term wealth and prosperity for Indigenous peoples through equity ownership is central to building Canada strong. That is why we doubled the Indigenous Loan Guarantee Program from \$5 billion to \$10 billion, enabling more Indigenous communities to become owners of major projects.

Just this year, 36 First Nations in British Columbia used this program to secure a 12.5% equity share in a major pipeline, generating long-term income and economic power for their communities.

[Translation]

The truth is, our economy can only be strong when it benefits everyone. We know that investing in Indigenous communities and economies benefits the entire country.

[English]

Together let's move this bill forward so we can begin the vital work of building Canada's future economy — one that includes, and is built with, Indigenous people.

Thank you. *Mahsi'cho*.

The Chair: Thank you, Minister Alty.

[Translation]

We'll now move on to questions. The list of senators who wish to speak is very long. Ministers, I respectfully request that you provide concise answers to the senators' questions. That would be appreciated.

[English]

I apologize if I have to interrupt you.

Senator Housakos: Thank you, ministers, for being here with us today.

Ministers, this bill gives unprecedented power to a single minister to decide which projects are of national interest, granting them fast-tracked approvals. But if the minister refuses — perhaps for ideological reasons — to give that designation, the project defaults to the old, slow regime your government admits is not working.

What happens if the minister is someone, for example, like the Honourable Steven Guilbeault, known for opposing oil and gas inherently. Doesn't this bill risk enabling politically motivated decisions that quietly block strategic projects and harm the Canadian objective?

Mr. LeBlanc: Senator Housakos, through the chair to you, thank you for the question.

We think this bill strikes the right balance in terms of providing proponents — whether they are Indigenous governments, provincial and territorial governments or, we hope, many private sector proponents — with greater certainty and investor confidence in a process that will lead to an approval from the Government of Canada, obviously with the appropriate conditions around those approvals, and done in an expedited way.

• (1420)

Regarding the hypothetical, you chose a Liberal MP, gave him a new cabinet job and want me to comment on that. Senator Housakos, I'm not going to do that.

The good news for you, sir, is that for the moment, I will be the minister responsible for those decisions. We have known each other for a long time. I'm not an ideological person; I'm pragmatic, and I very much believe that this moment in our country's history lends itself to this kind of expedited, balanced and thoughtful process. It is in that spirit that I would seek to exercise that authority should this legislation be adopted.

Senator Housakos: Minister, I'm not talking about this moment; I'm talking about a couple of weeks ago. And I'm not talking about just any random member of Parliament; I'm talking about your political minister from Quebec, who has a track record of being excessively radical when it comes to putting up roadblocks to energy development in this country.

I think it is a valid question. Cabinet members must be aligned with the Prime Minister and his objectives — and you and your objectives — especially those who, if you listen to what they have been saying in the media, currently are not.

There are currently 28 projects related to energy and critical minerals stalled in the federal approval process. My simple question is this: Why not accelerate them immediately if we're facing such an existential crisis?

Mr. LeBlanc: Through you, Mr. Chair, to Senator Housakos, the objective of this bill is to provide that expedited process that would apply to projects that the Governor-in-Council — the cabinet — decides to designate as being in the national interest.

I cannot speak to a list of projects that have different approval processes. However, if one of those proponents — for example, my colleague mentioned benefiting from Indigenous equity participation and the support of provincial and territorial governments — were to decide to ask our government to consider designating one of those projects, then it is hypothetically conceivable that one of those projects could be put to the government as being in the national interest. Politicians should not answer hypothetical questions, but you asked two or three, so I answered one of them.

The first ministers' meeting in Saskatoon gave us an opportunity to hear from all of the premiers about a vast list of really interesting projects that they are hoping to work on, in many cases with a number of jurisdictions working together. I'm

therefore very encouraged that — you will forgive the pun — the pipeline of projects may offer us a real opportunity to do something important in the national interest.

Senator Housakos: Minister, you know that we are giving the government the benefit of the doubt. We support this bill in the other house and will support it in this place, but we have concerns. The responsibilities entrusted to the designated minister are extensive: centralized authorization, intradepartmental coordination, Indigenous consultation and power to amend project conditions. You are asking us to quickly adopt this bill, but you have not been able to provide a clear budget envelope for this new office.

Tell us frankly — what is the planned budget for the single window, how many public servants will staff it and how quickly will this funding become available?

Mr. LeBlanc: Through you, Mr. Chair, to Senator Housakos — those are very good questions. I know that the Privy Council Office is in the process of establishing precisely that office — provisional upon the legislation passing, obviously. The government has not hired people, reassigned public servants or spent money and will not do so before we see if Parliament adopts this legislation.

I totally share your view regarding the urgency of the moment and the need to move quickly, and I am happy to ensure and to commit that the Privy Council Office will share — through your chair — all of the information as we stand up this office.

My colleague mentioned a number of commitments we have made, for example, to increase to \$10 billion a loan guarantee program for Indigenous equity and capacity building in terms of consultation. Perhaps in subsequent questions, we can talk about those investments as well.

I totally share your view that the moment is urgent. I certainly appreciate your colleagues in the other place and the support they have shown us, and we look forward to working with all senators here as you study this legislation.

Senator Housakos: Minister, as you can appreciate, those of us who have been in this place for a very long time have seen this movie before. A government comes, well intentioned, with an existential crisis. We have to move with urgency. You ask us to speed through a bill, as we are doing in this particular instance, but we cannot get a precise answer regarding what this new public servant operation will cost. More importantly, we're speeding this bill through without any clear picture of what administrative capacity will be in place, not only to evaluate the projects, but to see them through and give us benchmarks as we go through the process — to give the government benchmarks so we can at least be accountable to the taxpayers and the public.

Don't you think we must ramp up that aspect of this bill?

Mr. LeBlanc: Mr. Chair, Senator Housakos, I absolutely agree with the premise of your question in terms of the importance of transparency around the use of public money.

As I say, the government is being careful. We hope this legislation can be adopted expeditiously. Once it is, and to ensure that we go above the normal estimates process in a transparent way, senator, I'm happy to commit that the Privy Council will share their financial planning in terms of that work.

One way we hope to control some of the costs — and maybe we can talk about this, Mr. Chair, in other questions — is through the ability to have one project, one review, and to benefit from a lot of the good work that is done at provincial and territorial orders of government.

For example, senator, in your province of Quebec, the Bureau d'audiences publiques sur l'environnement, or BAPE, does a lot of good work. If we're able to quickly sign agreements with provinces and territories to avoid duplication and overlapping requirements, we think it will be in the interests of investors and expeditious project approvals, but also those of taxpayers, both at the provincial and federal orders of government. There is only one taxpayer in the country. We think that would also be effective from a financial management point of view but clearly in terms of expediting things as well.

[Translation]

Senator Housakos: I have one last question, minister.

Prime Minister Carney says that a national consensus is needed to build a pipeline. Can you tell us what that actually means, in real terms? What is a consensus? What will happen if a premier says, "No, that's enough"?

Mr. LeBlanc: Thank you for the question.

You're right. I was with Prime Minister Carney when he was asked the question. Clearly, the bill is not being considered by the Senate, by Parliament, with a view to imposing any kind of project on Indigenous people or on a province or territory.

I was very encouraged by the consensus among the premiers when they heard the remarks made by Manitoba's NDP premier and some of the comments made both privately and publicly by Mr. Legault, the premier of your province. They all talked about the importance of being open to projects that will make our economy more competitive and ensure that we are not dependent on one market to sell our products.

However, you're absolutely right. This is all very difficult to define in precise terms, and everyone has their own theories. The Prime Minister has been very clear that we're not going to impose a project on a province or territory. This is a way to build a more effective consensus.

[English]

The Chair: Thank you, minister.

[Translation]

Senator Hébert: Good afternoon, minister.

As you mentioned, this bill is extremely important to Canada's economic future at a time of major turbulence. I'm sure no one will deny that we are all feeling a bit queasy at the moment. We

hope this bill will propel our industries forward, provided, of course, that tenders follow the trend, if not lead the way. Canadian businesses need to be prioritized more.

Even if we take that as read, I see labour as another challenge. We all know that building infrastructure takes workers. It takes a lot of workers. The labour mobility bill is part of the answer, but another part relates to immigration.

How is the government going to reconcile Bill C-5's objectives with immigration policies that could affect access to labour in several of the key sectors targeted by Bill C-5?

• (1430)

Mr. LeBlanc: Thank you for your question. You're absolutely right. Tenders and investments from private companies, and perhaps even from different levels of government, will only achieve the economic objective that we have set if we are truly able to build the projects that we will designate as being in the national interest. I know that this part of the bill falls under the jurisdiction of Ms. Freeland, who appeared before you yesterday.

The provinces have worked together extensively to increase labour mobility, but you're right. We need to support the provinces in training young people. I'm thinking of my province, your Speaker's province, New Brunswick, where there are more and more programs in public and community colleges specifically designed to teach young people a trade. That is just one small example of a provincial government that decided to take matters into its own hands, but there are similar examples all across Canada.

Immigration is also part of this challenge. The provinces and territories are eager to work with us. They, too, have nominee programs that target certain categories of people to help achieve the goal of access to skilled labour. We are determined to ensure that access to labour does not undermine the goal that you have so clearly described.

[English]

Senator Simons: Thank you very much, ministers. I worked very closely on Bill C-69 when I first joined the Senate. At the time, there was very much a philosophy that the bill was looking for reasons not to build things rather than to build things, so I appreciate the wish to move from the "whether" to the "how." But I can't help but feel that we may have overcorrected.

One of the things that concerns me about Bill C-5 is that it front-end loads the consultation period. You're asking for the consultation before something is designated as a project of national importance — "a PONI," as I like to call it — but the environmental assessment will happen after that consultation.

What happens in a case where there has been consultation with provinces, municipalities, First Nations and other stakeholders, there has been a sense of agreement, and then the environmental assessment indicates that this project could have a detrimental impact on nesting sites, breeding grounds or other sorts of groundwater supplies? I fear that, by putting the cart before the horse, you've secured the agreement before you've obtained the information. Could each of you respond to that?

Ms. Alty: I think it's important with this bill that it's a two-step process. The first step is about engaging with Indigenous rights holders to determine whether the project should be added to Schedule 1. Then it is moving into the conditions, so that's the second round of consultations, as well as the environmental assessment. It's through that second part that those conditions will be added, and the proponents will have to adhere to them.

It is important to understand that two-step process. Again, it is continuing to uphold the Constitution and the UN Declaration on the Rights of Indigenous Peoples.

The other thing is the part outside of this bill about capacity building and providing funding to Indigenous rights holders from the start to the finish of the process. That was something that the department heard in its engagement on consultation last year: the need for continuous funding and not application-based funding, so that Indigenous rights holders are able to effectively participate in the whole process.

It is important to recognize the two-part consultation, and then those conditions would be added to the final document for the minister's approval.

Senator Simons: Minister LeBlanc, let me turn to you. Adding conditions presupposes that the project is going to be approved. What I'm concerned about is that we're designating the projects of national importance before the environmental assessment.

Mr. LeBlanc: Senator, thank you for the question. As my colleague described, it's deliberately designed to have this two-step process. We are confident after having spoken to a number of premiers since the first ministers' meeting — I sat with Premier Smith in Calgary at the Governor General's dinner last evening — that there is a great deal of enthusiasm from all the first ministers, obviously, if the legislation passes, to start to define what might be projects for the government to designate, as Ms. Alty indicated.

Your question, senator, is important. I wouldn't want people to have an impression that the environmental assessments, our responsibility under various statutes, such as the Fisheries Act, the Species at Risk Act, the Canadian Navigable Waters Act — those are just a few, but the list is imposing and appropriate in terms of the government's responsibility to ensure that those assessments are rigorous. All of those assessments would feed into the conditions document, which would constitute the approval.

I think we should be clear: Just because there's a designation does not mean that there is an automatic approval or the issuance of a conditions document. Again, I'm doing what I said I wouldn't do, but, hypothetically, if as we work through a project, the Department of Environment or Fisheries and Oceans,

providing advice, working with the proponent — if we concluded that the proponent was unwilling or unable to meet the reasonable conditions that we had worked on together, then that project might not receive the final approval from the government.

It's important to understand that those environmental assessments will absolutely form part of the conditions document that we hope will be the approval.

The Chair: Thank you, minister.

Senator Galvez: Thank you, ministers, for your presence here today. Most of the witnesses have told us that this bill is an answer to the situation with respect to what is going on in the south with the tariffs.

Bill C-5 gives the Governor-in-Council the ability to exempt a national interest project from the application of important laws that protect the environment, like the ones my colleague and you mentioned: the Canadian Environmental Protection Act, the Migratory Birds Convention Act and the Species at Risk Act. Can you tell me if any other federal law gives this much power to the executive branch? And would this have a beginning and an end date? I ask because the threat in the south will not be there forever.

Mr. LeBlanc: Thank you, senator, for the question. There were two or three very good questions in what you just posed.

In terms of a time period, we're proposing that the ability for the Governor-in-Council, the cabinet, to designate a project as being in the national interest would not exceed five years. The reason is as follows: Let's say in year 2 or year 3, a project is proposed. If a province or territory brought forward an Indigenous-led project, if in a maximum of two years we were working on those conditions, we think that is a reasonable time frame in light of the economic threat that the country faces from the United States — our neighbours to the south. You said it, senator.

I participated in the Prime Minister's bilateral meeting with President Trump yesterday in Kananaskis. I will be talking to the U.S. Trade Representative again later this week. Whatever the ultimate deal or arrangement Canada comes to, we hope to remove all of the tariffs that the United States has imposed illegally and inappropriately on Canada, but the economic uncertainty and instability are not going to disappear right away. What President Trump is doing — and the Prime Minister said this in the election campaign — is he's seeking to redefine many of the modern global trading relationships.

• (1440)

I met the Mexican minister of the economy, Minister Ebrard, yesterday afternoon in Calgary. We talked about exactly the trilateral context. He's in Washington almost every week. He tells me that this is not a short-term challenge to the global economy. That's why we think the time frame is appropriate.

I know, senator; I saw Minister Freeland, chair, and I won't do that.

With respect to the power given to the Governor-in-Council, I'm sure that your colleagues might give us an opportunity to address that.

The Chair: Thank you, minister. I just want to remind honourable senators that when you're sharing your time, you have 10 minutes altogether, the three of you, with the questions and answers. Thank you.

[Translation]

Senator Aucoin: Good afternoon, Minister LeBlanc. One of the recurring barriers to labour mobility is the recognition of professional qualifications from one province to another. Given the importance of community colleges, such as Nova Scotia Community College, what commitments is the government making or what commitments will it make in this bill to harmonize training standards and ensure speedy and equitable recognition of qualifications, particularly for young graduates and locally trained newcomers? This applies to all provinces.

Mr. LeBlanc: Thank you for the question, Senator Aucoin. I don't wish to offend in any way, but as you are well aware, the government has no way to impose or harmonize standards for certain trades and professions. That is under provincial jurisdiction, so the provinces set the standards.

I completely agree with you. Community colleges are doing important work in both our provinces. We are trying to work with the provinces and territories to help them harmonize their worker and labour force mobility. I am very encouraged by what I'm seeing. I shared an example involving the provincial premiers. The four Atlantic premiers decided to create a partnership for health care workers. For example, if you're an occupational therapist in Moncton and you want to work in Chéticamp, you can be an occupational therapist whether you're in Chéticamp or in Summerside, P.E.I. We found that inspiring. Other provinces are adopting the same model. I'm sure Ms. Freeland talked to you about this yesterday, but we're going to remove all federal obstacles and barriers. We will encourage and support our provincial and territorial friends, who all say, both publicly and privately, that they're grappling with the challenge you described.

Senator Aucoin: My second question relates to a subject very close to my heart. Proposed section 21 in Part 2 of Bill C-5 raises serious concerns about the protection of language rights in the workplace. In fact, in a press release issued just yesterday, the Société de l'Acadie du Nouveau-Brunswick, or SANB, expressed concern regarding proposed section 21 in the bill. My fear is that it could provide a way to get around laws such as the Official Languages Act and the Use of French in Federally Regulated Private Businesses Act. For example, an investor involved in a federal project in a predominantly francophone region, or elsewhere, could make their project conditional on the federal government's authorization to circumvent language requirements.

Minister, how does the government plan to address this concern, this threat to the language rights of workers in New Brunswick, Quebec, Acadia and francophone communities across Canada?

Mr. LeBlanc: Senator Aucoin, I completely share the concern that you just raised. You used a still hypothetical example where a person involved in a project could be exempted from certain obligations under the Official Languages Act or under the Use of French in Federally Regulated Private Businesses Act.

I will never approve a condition like that — to return to Senator Housakos' question — not as long as I'm fortunate enough to be the designated minister. If the bill passes, I'll never accept a condition like that. We know that exemptions like this will never be allowed, not while I'm the minister responsible.

However, you are right to raise the concern that, in other circumstances or under a different government, the bill could be used to weaken these obligations. I personally can't imagine such a scenario. During the election campaign, we discussed this with Mr. Carney and the provincial premiers; the need for urgent action is real, and we believe it, but never once did we consider a scenario like that one reasonable. I will work with you and other colleagues to stop such a thing from ever happening. I share your concern entirely.

Senator Aucoin: Thank you.

[English]

Senator Al Zaibak: Thank you, ministers and your teams, for being with us here today. My question is to you, Minister LeBlanc.

Given your role as Minister responsible for Canada-U.S. Trade, do you foresee this bill being a point of tension or cooperation in our cross-border economic relationship, particularly where provincial preferences may diverge from federal priorities?

Mr. LeBlanc: Mr. Chair, through you — senator, thank you for the question. You started off on the Canada-U.S. context. By a point of contention, do you mean with our friends in the United States? I just want to make sure I understood your question.

Senator Al Zaibak: Yes, I mean on both — points of contention or cooperation on both fronts, among our provinces, with our provinces as well as across the board.

Mr. LeBlanc: Senator, I think you've identified precisely a very important opportunity for collaboration at both the federal-provincial-territorial level and with respect to our most important economic partner, the United States. The United States is Canada's most important security and economic partner and will be for a very long time. We're redefining our ability to have a reliable trading relationship. That's a separate subject.

I had conversations with Secretary Lutnick and with Ambassador Greer as recently as yesterday in Kananaskis. Secretary Bessent, the United States Secretary of the Treasury, was there. In the President's conversations with the Prime Minister, we're talking about redefining a relationship with the

United States, an economic partnership that would include Canada's ability to do major projects. For example, think of the critical minerals space. Premier Smith was speaking to me last night, with Premier Moe from Saskatchewan, about potential mineral mining projects that would very much answer the challenge we have not only with the United States but with other allies in terms of our dependency on countries like China or Russia.

The South African minister was sitting next to me at the dinner last night and talking about Canada and South Africa in terms of being critical mineral giants and what that could mean to global security if we do that properly.

I think there's a big opportunity — done properly — in the Canada-U.S. relationship. Just going by, senator, the conversations with premiers in Saskatoon, if you think that all 13 provincial and territorial governments arrived at the meeting with examples of the kinds of projects that they hoped could be developed to the point that the government would consider them, as Ms. Alty said, for that designation. Many provinces and territories are working together.

• (1450)

If you take the Western provinces and the territorial and Northern premiers, they are speaking. The Atlantic premiers are working together.

The Government of Canada is committing to one project, one review; to no duplication or overlap; and to working with them to expedite the projects.

I think therein lies a huge opportunity for our federation as well. I'm quite encouraged — and think all Canadians should be — by the action we're seeing from provinces and territories and their leaders.

Senator Al Zaibak: Minister LeBlanc, do you have any concerns that streamlining approval for major projects under the building Canada act could be challenged by the U.S. as inconsistent with trade obligations under CUSMA? How is this being addressed?

Mr. LeBlanc: Senator, the short answer is no, I don't have any concerns. If we want to strengthen our economic relationship with the United States, our ability to build big projects in Canada and increase the GDP of our country will be positive elements in that relationship. They certainly haven't raised any concerns with me, but they talk to me about big projects that perhaps we could do jointly, with United States investors, for example. That will be a work in progress.

Senator Klyne: Welcome, ministers. Yesterday, we heard from national Indigenous leaders that there has been rushed and insignificant consultation on Part 2 of Bill C-5. I want to thank you for recognizing consultation and free, prior and informed consent, or FPIC, in your opening remarks. You're recognizing with conviction the duty to consult, UNDRIP law and section 35.

Minister, we've heard about a so-called "Henry VIII" clause contained in clauses 21, 22 and 23 in Part 2 of this bill. Purportedly, these clauses give cabinet an unconstrained ability to alter the operation of virtually all laws passed by Parliament.

Minister, if environmental and Indigenous rights statutes can be exempted, what might that mean for the environment and Indigenous people?

Ms. Alty: Thank you, senator, for the question. Yes, as I outlined in my opening comments, consultation is legally required. It's under the Constitution. The rights are affirmed by the Constitution, and the duty to consult and accommodate has been set out in a series of Supreme Court of Canada decisions, so this bill cannot supersede the Constitution. Projects will only be designated following full consultation with affected Indigenous rights holders.

The key is that the duty to consult and accommodate is in the Constitution, as well as the amended Interpretation Act, which this bill must follow. Perhaps I will leave it at that in order to leave you more time in your 10 minutes of questions.

Senator Klyne: So the "Henry VIII" clause has no impact.

Ms. Alty: Correct.

Senator Francis: Ministers, if a project causes serious and unanticipated harm after it has been approved, it is critical that Indigenous peoples and other affected communities have meaningful opportunities for redress. Even before that, however, there must be strong procedural safeguards to ensure that the delegated minister will not abuse the sweeping powers they are granted under this bill.

Currently, Bill C-5 would allow them to override existing federal laws and regulations, including, potentially, the Indian Act. Could you explain why the Indian Act has been included in Schedule 2 of Bill C-5, and should First Nations be concerned that the current or future governments may override the provisions of the Indian Act that deal with their land rights?

Ms. Alty: Thank you, senator. I appreciate the question.

When moving forward with projects, some communities are subject to archaic provisions under the Indian Act. We will be engaging with First Nation partners on each project. If we need to suspend some provision of the act, we will do so in consultation with the First Nation to ensure that the development will respect cultural practices and environmental standards. But one of the things, in discussions with Indigenous leaders, was the challenges with the Indian Act when it comes to the financial. If there is that opportunity to make some provisions to alter that, that could be considered through this legislation.

Again, we want to retain the option for it to advance a project, but it must be with First Nations. Again, that's why we decided to include sections of the Indian Act in this legislation.

Senator Woo: Minister, thank you for being here. One of the ways this bill supersedes and overrides legislation is in how it deals with the Statutory Instruments Act. One specific override it has is over the ability of Parliament to review regulations through its Scrutiny of Regulations Committee, which I understand I will be back on soon enough and which I had the honour of chairing the last two Parliaments.

I understand the need to perhaps override certain statutes in the interest of speeding up an approval process, but the scrutiny job happens well after a project has been undertaken and well after the bill has been put in place. It's a way to ensure that regulations are consistent with the law that we pass.

Why was it necessary to take this quite extraordinary step with respect to the Scrutiny of Regulations Committee?

Mr. LeBlanc: Mr. Chair, through you to Senator Woo, thank you for that question. I have been hanging around Parliament long enough to know — and have colleagues who have served a number of years on the Standing Joint Committee for the Scrutiny of Regulations — that you're absolutely right. You described it, senator, very well, and for Canadians who might be watching us. I think that is an important parliamentary responsibility that has been exercised over a long period of time by both chambers.

I absolutely subscribe to the work that is often done out of the glare of the public light but which contributes to governments being responsible and the executive branch enacting regulations that, as you described very well, respect the legislation that was adopted by Parliament.

Again, I'm doing this the third time: I said I wouldn't think of hypothetical examples.

[Translation]

For the fourth time, senator, my goodness. We have lots of time left, and you still don't have enough questions for my colleague.

[English]

Senator, our objective here is to say to proponents of projects — to provinces and territories and to Indigenous proponents — that we're prepared to act swiftly, responsibly and in a balanced way. I would be happy to work with that committee and others to ensure — to not use the hypothetical example of an extreme outcome — that is done in a responsible way.

Senator Woo: Can you think of any other statutory instrument that has been exempt from the review and purview of the Scrutiny of Regulations Committee? Even if you don't have an answer to that, can you find a way to preserve Parliament's right to at least look at the regulations after the fact so that we're not totally in the dark?

Mr. LeBlanc: Senator, I'm not aware of other examples, but that doesn't mean there aren't any. It's such a technical point of law, but I'd be happy to ask the Privy Council officials here with me to answer that precise question and get you that precise answer.

I don't know it myself, but it's a very good question. I'll get you the answer in terms of whether there are other precedents. I'd be happy to work with your committee to ensure, as you said, that fundamental respect for Parliament is preserved.

Senators, I want to be transparent. The government wants to encourage investors to come forward and encourage provinces and territories to put forward major projects because of the economic and geopolitical urgency of the moment. We want to tell those proponents and their partners — including Indigenous peoples, as my colleague said — that we're prepared to do this work in a responsible, expeditious way, but I wouldn't purport to take away that important role of Parliament. Senator, thank you for raising that.

• (1500)

Senator Clement: Thank you to both ministers.

Minister Alty, you and I have both been mayors. I have long admired your work when you were dealing with the impact of wildfires on your community. I admired your leadership style. I was on a municipal panel with you organized by Senator Simons at the Federation of Canadian Municipalities, or FCM. Mayors understand relationship building. We see our constituents, our neighbours on the street. They know us by name. I know that you bring relationship-building skills to this job. You mentioned meaningful consultation in your opening statement. I want to speak about that, not just in the legal requirement piece but in the relationship-building piece.

In Ontario, communities have been upset by our own Bill 5 here, which was passed. Today, the Chiefs of Ontario have organized a rally right here on Parliament Hill in response to Bill C-5. In fact, the former grand Chief of Akwesasne, now Regional Chief Abram Benedict, spoke moments ago. In our conversations with them earlier this week, they sent us some of their questions. I want to relay their concerns here.

Given the speed at which cabinet can move under Bill C-5 with emergency-like power to override legislation and regulation, does the government anticipate repercussions like demonstrations and protests that would result in delaying projects? How, more specifically, does the government intend to mitigate those risks? What does the government say in response to the Chiefs of Ontario gathering on the Hill today?

Ms. Alty: Thank you, senator, for the questions. The point I will speak to is the idea that this bill is proposing accelerating Indigenous consultation. What I think is important is the opportunity to streamline, to create that major projects office.

Over the last year, Crown-Indigenous Relations has conducted engagement sessions with Indigenous peoples via our existing forums and tables on a proposed Crown consultation coordinator function. These sessions revealed several reoccurring concerns related to all federal consultations.

Some of the themes were insufficient coordination; difficulty navigating consultation processes, especially for smaller communities with limited capacity; fragmented and inadequate funding for participation in consultations; and growing consultation fatigue, exasperated by overlapping and duplicative processes.

Without new coordinated mechanisms to navigate these complexities, we do risk the judicial reviews of consultation adequacy, delaying projects and diminishing the confidence in the Crown's ability to lead a fair and effective process.

That is why I think it is important to have the establishment of the major projects office that would be leading the work on this legislation. Because through the proposed major projects office, we will be centralizing knowledge and tracking of consultation activities; developing a centralized approach to identifying impacted Indigenous communities to consult; clearly identifying rights holders early in the process to reduce uncertainty and avoid delays in project timelines; serving as a point of contact for escalating consultation issues and ensuring timely access to senior decision makers; providing project-specific information on asserted or established Aboriginal and treaty rights, including unresolved or historic claims within project corridors; and providing project-specific information in a modern treaty and self-government agreement, obligations and commitments within project corridors —

The Chair: Thank you, minister.

Senator Moodie: Ministers, welcome, especially to you, Minister Alty, on your first time here in the Senate.

Minister LeBlanc, one of the reasons that barriers to interprovincial trade have developed over time has been regional protectionism. Although economy should be top of mind, we know that our culture, our communities and our economies are all tied together. No Canadian wants to see communities suffer because jobs are moving to other areas of the country.

Minister, clarify for us today what efforts are being made, working with the provinces and territories, to find a healthy balance between protecting smaller, more vulnerable communities while growing and integrating Canada's economy.

Mr. LeBlanc: Mr. Chair, through you, thank you for the question. You have identified, I think, the reasons over a number of decades why, provincially, territorially and federally, a series of barriers — “barriers” is a dramatic word, but a series of policies, regulations, requirements — have built up over time — a friend of mine in New Brunswick said, “We just accumulate more snow in front of the plow” — as we try and build one Canadian economy. The regional politics and the local politics are very complex.

I have heard premiers of smaller provinces — I am sure Minister Alty — the territorial premiers, you are right. The economy of Nunavut is different than the economy of the province of Ontario. Small provinces like New Brunswick worry that in some circumstances their local economies may be affected.

What is encouraging, though, is that experts and analysis from economists, from global institutions and Canadian think tanks have all said that, done properly, the removal of these barriers and the creation of one Canadian economy, not 13 — to pick up a phrase that the Prime Minister used every day in the election campaign — will add up to 4% to Canada's GDP. That will create jobs in communities all across the country.

To bridge from removing the interprovincial and territorial barriers to the second part of the legislation, the major projects, many of these projects will bring immediate economic benefit to some of the smaller jurisdictions. If you think of the Indigenous proponents that are suggesting a potential project at Grays Bay or if you think of the Atlantic provinces coming together with the Province of Quebec to do interesting things on an energy partnership, done properly, those national projects will also contribute economic activity.

I'm encouraged by the premiers themselves, the business communities and organizations representing workers asking all governments — every order of government — to do what the moment requires, both in terms of eliminating those interprovincial barriers but also on national projects. I see your chair is about to apply the Freeland rule.

The Chair: Thank you, minister.

Senator Wallin: Thank you both for being here, but let's begin with the criticism of this bill in general that we hear from members of your own party on the floor, that your approach to this particular bill has usurped the rights and obligations of parliamentarians. Debate has been stymied in your house. This is not our general procedure here. We would usually send a bill to committee. We would have witnesses, we would take testimony and we would apply sober second thought to that bill. Because of the time pressures that you have put on, we are now in this particular process.

Can you explain why you think this is so necessary at this moment? We have talked a little bit about what the crisis is. I am not sure that with you and the Prime Minister actively engaged in the trade negotiations and our security and trade relationship with the U.S. that they have — the two leaders have put a 30-day timeline on there. Why would we not subject this legislation, which is so crucial domestically — really not that central to the trade relationship with the U.S.; these rules are domestic that we are talking about — why you would not give this the proper scrutiny that it needs to resolve the critics who are making the case about the powers of declaring a national interest project?

Mr. LeBlanc: Through you, Mr. Chair, to Senator Wallin, I think the Prime Minister and our government made a compelling case to Canadians that this particular piece of legislation was what the moment required.

• (1510)

Every day of the election campaign, the Prime Minister spoke about building big projects in the national interest. It is on page 1 of our election platform. None of this should surprise Canadians, as we think — and this view is shared by all 13 premiers, both before and after the election within the meetings that I attended — the moment has arrived where we must have an expedited process, but not for all projects. Senator, this is a piece of legislation that applies to domestic law in Canada. It is related only in terms of the discussions with the United States because the economic risk of the United States being an unreliable trading partner means that — again, to pick up a phrase we used in the election campaign — we have to give ourselves more than somebody else can take away.

We believe that this legislation is urgent in terms of giving the opportunity to build projects in the national interest — not every myriad of projects. Last night, I had a discussion at dinner in Calgary with the premier of your province, Senator Wallin, who was all excited about the projects in Saskatchewan that may give this urgent opportunity when he is facing tariff challenges, some with the United States and some with respect to China.

Senator Wallin: We don't have a definition from you regarding what is in the national interest. It seems to me that will be a decision that you, in consultation with the Prime Minister, may make. However, there is not a clear set of criteria. I am thinking in this case and in this country about the constitutional rights of the very premiers who want to develop resources and develop oil and gas, and then we have provinces that say they also have the constitutional right to say "no" to those very projects that might cross their provincial borders.

It comes down to this question, and I know that you have been asked this on many other occasions: Will you grant — I can only use that word because of the powers you have given yourself in this bill — provinces a veto over other projects?

Mr. LeBlanc: Senator Wallin, you asked two good questions. The first one is around the criteria of determining what a project in the national interest might be, and we have been quite clear. It is in the legislation: strengthen Canada's autonomy, resilience and security; provide economic or other benefits to Canada; have a high likelihood of successful execution — that picks up on a question from your colleague earlier — advance the interests of Indigenous peoples; and contribute to clean growth and to meeting Canada's objectives with respect to climate change. These are the five criteria in law that we would propose to exercise in terms of that designation.

The second part of your question is around whether we give a veto to a particular province. I get that people are looking for absolutes; they want absolute answers to hypothetical questions. I will be governed by what the Prime Minister said in his news

conference when we tabled this legislation in the House of Commons. He does not see a circumstance where the government would impose a project over a province —

Senator Wallin: Is that a veto?

Mr. LeBlanc: "Veto" is an aggressive word you could use. It is also a restaurant on Mountain Road in Moncton — it's Vito's as well. The former mayor and my university friend, Senator Arnold, knows Vito's restaurant. We have to be careful.

Senator, if you have 13 premiers coming to us with lists of dozens and dozens of projects, and they are meeting together to come up with ideas of how they can collaborate, it doesn't feel to me like that hypothetical question is one we are about to cross in the short term.

Senator Greenwood: Thank you, Minister Alty, for appearing before the Senate today. My question is for Minister Alty.

Yesterday, Natan Obed, President of Inuit Tapiriit Kanatami, appeared before the Senate and said:

Inuit are concerned with the intersection between the rights of Inuit and this proposed legislation, including the risk that it creates the conditions for Inuit-Crown treaties to be infringed upon. . . .

National Chief Cindy Woodhouse Nepinak said:

The powers of Bill C-5 are significant and present substantial risk to many collective rights of First Nations under our own laws, under the Constitution and under international law. . . .

Given the significant concerns of Indigenous peoples and how this legislation can infringe upon their rights, how will the government protect the rights of Indigenous peoples — which are recognized and affirmed by section 35 — and uphold the government's obligation to ensure that all laws are consistent with the United Nations Declaration on the Rights of Indigenous Peoples, namely Articles 18, 19 and 32(2)?

Ms. Alty: Thank you. Hearing two parts to your question, I will touch on Nunavut. Canada does have obligations in modern treaties and self-government agreements, including those in relation to co-management, environmental assessments, consultations and procurement. Those are legal obligations enshrined on par with the Constitution. Those are continuing to be respected and be implemented. This bill can't infringe on those.

When it comes to First Nations, that is where the legislation is incentivizing early engagement with Indigenous peoples, and proponents who don't engage with Indigenous peoples before bringing their projects forward for consideration under the legislation would be given a lower evaluation.

On the legal points, it is still a two-part process. Indigenous rights holders would be consulted to add a project to Schedule 1. Once a project is being reviewed, it is also undergoing the consultation process.

To zoom out, in the preamble, the bill is talking about looking to urgently advance projects that are in the national interest, including projects that blah blah blah, as well as economic and trade. Projects that don't have Indigenous support will not urgently advance. We're looking for projects that can get going.

Regarding the points and the concerns that Mr. LeBlanc and the Prime Minister have outlined, we are looking with this legislation. We can't put every project under. If every project is a priority, nothing is a priority. If we have too many projects in this pipeline, we're not able to provide the white-glove service we're actually looking to have to advance these projects.

It is important to remember that we're looking to urgently advance, and it really is about those factors: the high likelihood of successful execution and advancing the interests of Indigenous peoples being the key.

I have people texting me from home, saying, "I hope I see this project." This isn't a funding pot either. The project that you are talking about has a low likelihood of success because it doesn't have any money.

It's really about making sure we are taking a look at not only this legislation but also those other pieces too, including Indigenous capacity building, Indigenous loan guarantees, et cetera.

Senator McCallum: Thank you for taking the time to come and meet with us.

These questions come from the Assembly of Manitoba Chiefs. You answered the first one, or I don't know if you answered enough for them. It was about including the Indian Act in Schedule 1. These are not hypothetical situations or questions.

When you look at these acts in Schedule 1, as well as some provincial laws, they were not enforced which led to a lack of mitigation. Polluters didn't pay but taxpayers did, like the orphan wells. It led to concentrated dumping of toxins in First Nation lands and waterways, resulting in premature morbidity and mortality, hence the passing of the Environmental Racism Act.

• (1520)

With the increase in critical minerals mining, the simultaneous increase in toxins and the fast-tracking of major energy projects, should First Nations expect more of the same and an increase in the toxins that are left at their doorstep?

Ms. Alty: Thank you, senator, for the question. I can appreciate where people are coming from because to say, "Trust us; here is the legislation" — there has been a lot of broken trust over the years. From that, I would say we know that failing to uphold our legal responsibilities stopped and delayed projects, and we're looking to advance them.

I know there are also many questions about why consultation isn't defined. The thing about defining consultation is it is hard to have a single definition for Indigenous consultation. We want to ensure it is meaningful and adequate. It is a very fact-specific situation. We have also seen the definition of consultation evolve a lot over time and I'm sure it will continue to do so. We have seen that coming out of a series of Supreme Court of Canada decisions. We want to ensure that rights are affirmed by the Constitution and the duty to consult and accommodate. We are committed.

The other point I would make is, in the federal major projects office, having the Indigenous advisory council looking to develop the terms of reference and the composition over the summer with Indigenous rights holders will help provide guidance to ensure that consultation — when it comes to adding a project to Schedule 1 or once we get to setting those conditions — is done right. Thank you.

Senator McCallum: Minister Alty, in your recent public remarks, you have stated that First Nations infrastructure is "critical" but clarified that it does not fall under the scope of Canada's proposed nation-building legislation Bill C-5. This bill aims to fast-track major infrastructure projects deemed in the national interest. However, for many First Nations, access to clean water, safe housing, all-season roads and broadband is not only critical, but the foundation of nationhood, treaty implementation and economic self-sufficiency.

Can you please clarify how your government justifies excluding First Nations infrastructure from the definition of "nation building" under Bill C-5 and what message this sends to First Nations, who continue to face systemic underinvestment and inequality? How will your government ensure that First Nations are not sidelined once again in decisions about the future of their lands, economies and basic human rights?

Ms. Alty: Thank you for the question and the opportunity to clarify. I'm sure folks here have been misquoted in the media, too. It is really important to clarify this.

With this bill, as noted in the bill's preamble, we're looking to advance projects, develop economic and trade corridors, connect different parts of the country to get goods to market, strengthen Canada's ability to trade and enhance the development of Canada's natural resources.

With that, then, it is about the evaluation, the five parts, strengthening Canada's autonomy and so on. So Indigenous proponents and provinces and territories are able to bring any projects that meet those conditions forward for consideration.

This bill isn't a magic bullet to solve all of the infrastructure deficits we have in this country. It will help some projects that need that regulatory support. But other projects need funding support; it is not a case of regulatory challenges. So really, we

must ensure that we don't put all our eggs into this basket and think that our infrastructure deficits will go away in this country. This is about addressing the regulatory challenges of megaprojects.

Senator Richards: Thank you, ministers, for being here.

Minister LeBlanc, I saw you on TV this morning, and here you are right in front of me.

Mr. LeBlanc: I hope you are excited about that.

Senator Richards: I am very excited, sir.

Mr. LeBlanc: It must have been yesterday's TV, because I left Calgary at 5 a.m.

Senator Richards: My question is in a similar vein. I really want this bill to go through, and I was an opponent of Bill C-69. Yesterday, we were visited by the National Chief of the Assembly of First Nations as well as Natan Obed and the President of the Manitoba Métis Federation. Only the Métis president was hopeful and optimistic about Bill C-5. The National Chief of the Assembly of First Nations and Mr. Obed were highly critical because of feelings of neglect and disrespect to their people. It does seem — after all this time and no matter how much we want projects to go forward — we might be back at the same impasse, with groups having the exact same concerns.

How might this work against the timely certification of many needed projects if projects are to be challenged by interested groups, such as environmental groups and First Nations, via litigation? How will this differ from Bill C-69 in moving projects forward in a timely fashion?

Ms. Alty: Thank you for the question. If this bill is passed — hopefully, it will be — then it is engaging with provinces, territories and Indigenous proponents over the summer to solicit projects that meet the criteria of the act. A fair amount of homework needs to be done regarding projects. You cannot just say, "I thought of this idea this morning; we should make this a national project." These megaprojects need pre-feasibility studies and feasibility studies. You must have a fair amount of your homework done before you come to the federal government and say, "I want to add it to Schedule 1."

One of the big things is engaging with impacted First Nations, Inuit or Métis if the project is in their area. There are a number of megaprojects across the country that have Indigenous proponents who would like to have their project considered under this bill, and we would go through that process.

Again, in the second step of this legislation, if a project makes it into Schedule 1, the consultation with impacted Indigenous peoples then goes through to make sure that the conditions are right — the duty to consult as well as accommodate if need be.

Senator Richards: So it would be less draconian than Bill C-69.

Ms. Alty: Minister LeBlanc, do you wish to take that part?

Mr. LeBlanc: I'm glad I skated by King Henry VIII. "Draconian" feels less threatening.

Senator Richards, I appreciate your comments from the opening of your question. We have taken note. We do think, as I said previously, that this is an important moment where the country can come together, as I think Rebecca said, in the right way, with respect for constitutional obligations to Indigenous peoples and our environmental protection legislation, but in an expedited, thoughtful way that avoids duplication and overlap and says as much, as Rebecca properly said, to private investors who come forward with these projects, ideally with the participation of Indigenous peoples and the support of provincial and territorial governments. I say "governments" plural because it would be great if there were more than one. In many cases, there may be a number.

The idea is to say that for that narrow category of projects that will significantly impact the GDP of our country, deal with trade diversification or open new markets — my conversation with Premier Smith and Premier Moe last evening was around the discount we inevitably give on Canadian resources when we have a captive client base. If you have a business where you are overwhelmingly selling your production or what you are making to one particular client, you probably do not do as well on the price as you would if it were diversified. All of these factors give us an opportunity to do this.

• (1530)

We also recognize, as Rebecca Alty said, that it is for a narrow group of projects that are thoughtfully identified and not on a whim, as Rebecca said, without all of the due diligence that would be required in that context. That's the sort of spirit in which we think, Senator Richards; this is a way to move forward on those projects.

Senator McBean: Minister LeBlanc, thanks for sharing your "26-hour day" with us. I know it has been a busy time.

As the government works to identify Schedule 1 projects and build a more ambitious, unified "One Canada," sport is a proven and often overlooked tool to help achieve that vision. Major events like the Montreal Olympics delivered infrastructure, including the Olympic Stadium, the Claude Robillard Centre and the Olympic Basin, that is still used by millions annually. The Vancouver 2010 games led to the completion of the Sea-to-Sky Highway, the Canada Line and a new residential community in False Creek, which is home to thousands of Vancouverites in an area that was previously an industrial brownfield.

The Toronto 2015 Pan Am Games brought the UP Express and multi-sport facilities in Scarborough, Milton and Oshawa, many of which continue to serve both high-performance and community athletes. It also led to the development of the West Don Lands neighbourhood of Toronto, a neighbourhood that includes the YMCA, student residences, below-market housing, parks and green spaces that were also industrial brownfield lands.

Investments like those in sports created tens of thousands of jobs and added billions to our GDP. They were Indigenous-led and inspired national pride. They've also left a legacy of accessible facilities that get more kids and families moving, which supports healthier, more active communities at a time when physical inactivity is a growing public health concern.

While other G7 nations are investing and bidding for single- and multi-sport international events, Canada risks falling behind and is leaving money and opportunities on the table. Also, provinces and National Sport Organizations are calling for renewed federal leadership. Our sports infrastructure is dated, and perhaps it's time to have a vision — a new version of 1967's Canadian centennial projects. Hundreds of pools, arenas and field houses from coast to coast to coast sound like something of national significance to me.

My question is this: Does the government recognize sport and activity as more than recreation? Does it recognize them as nation-building investment tools that support physical activity, build lasting infrastructure, create jobs, plant flags firmly in our sovereignty and inspire the next generation? How can Bill C-5 be used to support that vision?

Mr. LeBlanc: Senator, thank you for the question.

I absolutely agree with the premise of the question. You used examples that are inspiring, which all Canadians — certainly of my generation or older — will remember of when the country did those big projects in the proper way, with those partnerships that Rebecca Alty and your colleagues have referred to. They have left a lasting economic and social legacy for the country. So I totally subscribe to that, if I understood or if I'm properly articulating the premise of your question.

Again, we're back in the hypothetical space, I think, the fifth time now. And I think Rebecca said something interesting: This is not a federal funding program; it's not the infrastructure program or the Canada Infrastructure Bank. There are ways that the federal government could partner. If we talk about building a high-speed rail from Quebec City to Windsor, Ontario, therein might be a federal project of national significance, to use a hypothetical example, where the Government of Canada would be a funding partner.

This is not about opening up a federal funding stream, but some projects may very well attract federal investment for the reasons you enunciated. If a province or territory with Indigenous partners and municipalities came forward with a proposal for some Olympic Games, for example, therein may lie an opportunity. Again, there's a reason why provinces and municipalities hesitate — because of the costs and the undertakings those represent — but I had not thought of that example, and I appreciate you raising it. Therein may lie an example where proponents — plural — with the right partnerships may seek to have an expedited process that would give greater certainty to those projects, which is one of the reasons why, perhaps, many of them have not been brought forward. You see the vicious circle there.

Senator Dean: Thank you, minister. You have been hearing a lot about what my colleagues are worried about. I'm interested in what you have been worrying about.

Inevitably, as you work through this legislation with officials over a considerable period of time, you will have identified key success factors and potential failure factors. Can you share one or two of those with us and tell us how you thought about ameliorating them?

Mr. LeBlanc: Those are good questions, senator. I'll try and give a quick answer, then maybe Rebecca will add something.

The success factors would be the expeditious execution of the projects. Studying ad nauseam something that discourages investor confidence and leads to a disinterest from proponents in submitting is obviously one of the challenges we're seeking to address. The ability to quickly execute a project with all of the partnerships and other elements that my colleague and I have discussed would be, for us, an example of a successful metric.

Senator Housakos talked about benchmarking some of this. Assuming Parliament adopts this legislation, and assuming the premiers and Indigenous partners are as quick as they say they will be in submitting these projects and doing the due diligence that Rebecca talked about, I think it will become real for Canadians when they see the inspiring examples of real projects going through an evaluation process that is, perhaps, more effective than it has been in the past.

Rebecca, did you want to add something in terms of examples of success?

Ms. Alty: Yes. I'm a nerd; I love process improvements, and I love looking at stuff from start to finish — from "I have an idea" to "We're cutting the ribbon."

Where can we do stuff to accelerate without an impact on the quality? Because we've been doing stuff sequentially — or the left hand has been doing something and the right hand has been doing something — I think we lose time. We take more time and we end up at the same place.

With this, I'm hoping we'll be able to find those process improvements that will benefit just the projects in Schedule 1 for now but where we'll be able to really make those more substantial improvements to benefit any project. If it is a sports centre, it will also benefit from this, even if it doesn't happen to make it into Schedule 1.

Then, with my ministerial hat on, the other thing is the work of the major projects and really working through this gold standard of consultation to be able to get that centralized knowledge and tracking of consultation, and just being able to show how we can do it better to get to the finish line more quickly but without impacting the product along the way.

Senator Pate: Thank you both for being here. I'm really excited about what the potential is, but I want to come back to something. As others have noticed, Bill C-5 is unlike any other legislation that we have seen and that Parliament has studied. It would allow the cabinet to greenlight massive resource projects before economic, social, health, environmental and the possible impacts on Indigenous peoples are considered.

Granting cabinet the power to ignore laws that are meant to apply to all of us and protect the health and well-being of Canadians — none of us takes that lightly, including you, as I hear from both of you.

Indigenous peoples have already asserted, as you've heard, that giving some seven days to comment on Bill C-5 does not meet legal obligations under section 5 of the United Nations Declaration on the Rights of Indigenous Peoples Act. Many are questioning the logic of rapidly passing a law that could be immediately challenged in court and lead to conflicts on the grounds that it will result in greater efficiency and certainty for economic development and yet obviate the responsibilities of Parliament.

• (1540)

I would like to know from both of you what concrete measures each of you will personally take to ensure your government does not compromise the United Nations Declaration on the Rights of Indigenous Peoples, First Nations, Inuit and Métis governance and environmental commitments.

Ms. Alty: Thank you. Those rights are enshrined in the Constitution, and this law doesn't supersede it. I think that's the key. There is the consultation and accommodation to add a project to Schedule 1. Then, there's the consultation and accommodation while developing the conditions for the project. That's the key part.

If the consultation and accommodation during those two parts aren't done right, it does delay the project, which truly defeats this bill. At the end of the day, in the Canadian Constitution — the Supreme Court has shown it — there is a requirement of the duty to consult and accommodate, and projects will be required to do that.

Mr. LeBlanc: My colleague answered the question with respect to Indigenous rights and the obligation in terms of consultation. Our preference, of course, would be for the Indigenous participation and for it to be of benefit economically to Indigenous peoples. That would be the gold standard. That's what we're hoping that many of these proponents will suggest.

Regarding the premise of your question, the approval, assuming there's a designation in Schedule 1, the major projects office works with the proponent. There's one project and one review. We eliminate the duplication. We would not get to an approval — the conditions document set out by regulation, for example — without having done those environmental assessments in the broad sense of the term. Those will form part of the conditions that will be the approval of the project. They're very much informed by the work of Environment and Climate Change Canada as well as by the work of Fisheries and Oceans Canada, scientists and Natural Resources Canada. In one

particular project a premier talked to me about, there would be the Canadian Nuclear Safety Commission if we're talking about a uranium mine, for example.

All of that work will very much be part of the approval process. I don't want people to think because there's a designation that important work mandated by statute is not being done. That would be a misapprehension of the facts, to use a law school term. I just want it to be clear that in any decision to ultimately grant the approval in the form of conditions, all of that work will be rigorously done. Then the Governor-in-Council makes a decision that we believe is in the national interest. It's a cabinet decision, an order-in-council process with all of the outcomes that would follow a cabinet decision, a Governor-in-Council decision.

The Chair: Thank you, minister. Senator Prosper and Senator Osler from the Canadian Senators Group.

Senator Prosper: Welcome, ministers. My question is for Minister Alty. It's good to see you again.

Earlier, in response to a question from Senator Clement, you provided a number of examples with respect to issues regarding consultations that Indigenous peoples face. My question focuses on meaningful consultation. It's the basic requirement for consultation to be meaningful. In certain instances, it allows for oral submissions, language considerations and the incorporation of traditional knowledge. It's more than just talking to leadership. It allows First Nations to be well resourced and given time to digest information before it is fed into a process and a decision is made.

Do you feel this meaningful consultation can be achieved with compressed timelines within this bill? If so, how?

Ms. Alty: Thank you for the question and the opportunity to meet the other day. It offers me the opportunity to conclude what I was talking about before.

To summarize, the major projects office will be leading projects and coordinating the federal decisions, providing that single window for project proponents, coordinating Crown consultation and providing that policy, legislative and regulatory advice.

I do think we lose a lot of time. In my previous role as mayor, I would hear from both proponents as well as Chiefs of the frustration when proponents were engaged with everybody but missed one Indigenous rights holder, so we're back to the beginning again. Again, it doesn't necessarily mean that the quality of engagement suffers when we try to have those shorter time frames. It does require the government to invest in resources to create this major projects office right so that we can be effectively engaging.

To your point — because I think you were mentioning some quality engagement protocols in your province. I know in the Northwest Territories, we have great co-management and great projects — for the proponents, traditional knowledge is valued in closure plans, for example. One thing our office is doing is working with a steering committee that is made up of Indigenous partners to develop, hopefully in the coming year, new guidelines for federal officials on consultation and accommodation so that we are getting better and better and, again, using best practices from across the country. As you say, it's not just letters; meaningful consultation is so much more.

Senator Prosper: Thank you for that. Along the lines of meaningful consultation, although one can say there's no one definition of consultation, one can look at the best practices and certainly at Supreme Court decisions and incorporate those minimal benchmarks, basic benchmarks, for good consultative practices within legislation itself. This was a prime opportunity to do that.

But getting back to the point you mentioned, Minister Alty, with respect to the two-step process for consultation, one being the consideration of a project within Schedule 1, and if so, we get into conditions within certain authorizations to provide that mechanism for full consultation with Indigenous rights holders.

My question is this: Why not codify basic best practices for consultation, which exist readily throughout, within the legislation at the front end so we can ensure that considering the narrow timeline this is all facing with the extraordinary powers this bill grants, it's not on the backs of Indigenous people?

Ms. Alty: Thank you. We didn't go with the single definition because it's a very specific situation. We looked at the nature of the project, which section 35 rights holders may be impacted and to what degree, the nature of the section 35 rights that may be adversely affected and there are a number of other variables. At the end of the day, the Constitution does protect the duty to consult and accommodate. The Supreme Court of Canada has decisions on this. We will be working with the major national projects office as well as the Indigenous Advisory Council to ensure that the consultation is meaningful and robust. Again, we hope to be able to replicate that and to share that knowledge so that it's not just the projects in Schedule 1 that are going through great consultation but that we're seeing that throughout the country.

Senator Osler: Thank you, ministers, for being here today. My question is for Minister Alty. It's actually a question about consultation, and it's the same question I asked our Indigenous panel yesterday. One of the potential issues around the concept of consultation is: What defines an impacted community?

For instance, if there are concerns regarding impacts to migratory herds such as caribou or the disruption of the summer habitat of beluga whales, the term "impacted communities" should include communities beyond those that would be traditionally chosen for consultation. If you look at my home province of Manitoba, the port in Churchill has been identified as a potential nation-building project. Given Churchill's location and proximity to Nunavut, one could say that the Inuit as well as the Dene should be consulted.

• (1550)

As minister of Crown-Indigenous Relations and Northern Affairs Canada, how will the government determine who should be consulted and who should be considered an impacted community?

Ms. Alty: I don't have the exact information, so I will come back to you on that question. It's not just that we decide that today it's this group and tomorrow it's that one. There is a more robust process involved. I will ask my staff to follow up with you — as well as the other senators — with a more fulsome answer.

Senator Osler: Thank you, minister. Having that answer for the communities and the rights holders is far more important than following up with us, but thank you.

Ms. Alty: Yes. Thank you.

Senator Cardozo: Welcome, ministers. My question is about labour mobility and the recognition of workers' credentials. Are you expecting to have more mutual recognition between provinces of credentials, or do you foresee a standardization of certification?

I ask that in the context that this is a federal law. Are there limitations on what you can do? Is this more of a symbolic act, and you're trying to set the table for what you expect the provinces to do — if I can use the Prime Minister's term — to "catalyze" action in this area?

Mr. LeBlanc: Senator Cardozo, your question is a good one. Nothing in this legislation impacts the jurisdiction of provinces and territories. I think that's also a fundamental thing that goes without saying, but we should say it so there is no ambiguity in that regard. The example you properly used — and I know you yourself studied this issue in a policy context — mutual recognition, in many of the examples that Canadians think about, is properly in the hands of provinces and territories.

Not to duck the question — I'm happy to answer it — but in her fulsome answers yesterday, I'm sure that my colleague Chrystia Freeland, who has the carriage of the responsibility has been drilling down with provinces and territories on this issue of mutual recognition. We wanted to start by bringing the Government of Canada to the conversation with the cleanest hands possible. For example, the deputy clerk and I, before we came here, were talking about how if you're a land surveyor in the province of New Brunswick. Chrystia used this example yesterday, so Chris Fox is cheating and giving it to two of us. There are examples where the Government of Canada had regulatory requirements that don't make sense and were, in fact, barriers to labour mobility. If a land surveyor in our province of New Brunswick is working on a military base or doing a project under federal jurisdiction, or if they're a certified land surveyor in Nova Scotia, I'd be quite happy to see them working on a project in Manitoba. There are other examples.

I want to be careful because the Government of Canada is not playing Big Brother in a patronizing way to the provinces. The provinces are themselves leading by example in this area. The provinces are coming together with one another and in small regional groups and saying, "We're prepared." The Province of Alberta has been a leader in this space. Former premier Jason Kenney was doing great work, as was former Premier Pallister of Manitoba. Some former premiers have been leading this conversation. The Premier of Nova Scotia has been a great leader in this regard, in terms of asking their first minister colleagues, "How can we collectively do that work?"

The Government of Canada wants to enable it in the sense that we don't have federal barriers. "Catalyze" is a good word, but I'm encouraged by their desire to do that work themselves in a very effective way.

Senator Cardozo: Minister, on behalf of your citizens, you're also the lead minister in terms of Canada-U.S. relations. Do you see this act as arming ourselves against the United States, or is it separate because of the tariff threats and we're putting our house in order in a different way because we can't trust that we can work with them anymore?

Mr. LeBlanc: Yes. "Arming ourselves" against the United States is not the phrase I would have used. You used that phrase, senator, but I take your point entirely.

We think that this legislation is part of Canada's response to the economic uncertainty created by President Trump's tariffs. I exchanged messages with Premier Ford today. Imagine what it means for the steel industry in his province and right across the country. That economic uncertainty is affecting workers and businesses in an acute way every day, and in some sectors it's becoming worse day by day.

This is part of a united Canada's response to give ourselves the economic instruments to grow our economy, diversify our trade and inspire Canadians to build big nation projects that are in the national interests. It's part of an answer, but Canadians are coming up with all kinds of very inspiring ways to meet the challenge of having an unreliable trading partner with the United States. This is our government's clearly stated objective in the election campaign as part of the response, but we continue to look at other ways to make the economy more resilient.

I wouldn't want to cut off Senator Cuzner's time. I know everybody has been looking forward to that, so I'll stop speaking now and let Rodger have a run.

Senator Cuzner: Nice to see you both, ministers — to a lesser extent Minister LeBlanc. Minister LeBlanc, I just can't get over how much you enjoy coming to this chamber.

Minister, one thing about mobility, rebounding off my colleague's questions about credentialing and the recognition of interprovincial credentials, the big challenge of mobility will be the cost. We know that with the drop in the price of oil, for many of the companies in the West that for a long time relied on labour from Atlantic and Central Canada, those kinds of opportunities have ceased to exist.

The past government recognized this and put in some provisions for tax incentives for mobility. Do you see that continuing? We want to match job opportunities with people who have those skills. Do you see this being expanded upon in light of this challenge you have?

Mr. LeBlanc: Senator, your question is bang on. In the part of the country you represent, like mine, we see at the airports — whether it's Halifax or Moncton — many hard-working women and men going to other parts of the country to earn good wages in sectors of the economy that end up driving the regional economies in our part of the country.

I've said before that every Canadian should be interested in this success. I said this to Premier Smith last night: The resource economies of the country create employment in every part of the country and add economic value. You're right, for many reasons — global markets, other factors — there are some challenges.

A tax credit to incentivize that labour mobility I think was an idea that our Conservative colleagues in the other place had been proposing: a series of measures around tools for tradespeople and labour mobility. I think there's a lot of merit — in my own view — in those ideas. I know the Minister of Finance is looking at ways to help the work with the unions and representatives of many of these workers. How can we have fiscal instruments that would encourage and support that mobility? To your colleague's question earlier, senator, how can we also incentivize some of the training opportunities that would exist? Obviously, the provinces have a critical role to play on the training side, but we want to be a partner for them as well.

• (1600)

Senator Cuzner: Thank you very much. We've seen in this country sporadic attempts at breaking down interprovincial barriers in the past. The actions by the current president have really galvanized Canadians, and it seems to be that everyone sees it is imperative now.

You have been up close and personal with and you understand the spontaneity of this current president. Should we land a trade deal with him? Do you think that you take the foot off the gas pedal? Will that degree of urgency the government has right now continue even if we do land a trade deal with the U.S.?

Mr. LeBlanc: Senator, thank you for the question. The short answer is no. The importance of giving ourselves the ability to properly but expeditiously work with partners to approve projects in the national interest will exist whether or not we're successful in securing a trade deal with the United States.

You saw yesterday — and I was in that meeting yesterday morning in Kananaskis with the Prime Minister and the president — they have given us again a mandate with a shortened "up to," hopefully less than 30 days, to see if we can hammer out the remaining elements of that deal, but the economic uncertainty will not be lifted if we're successful.

If we're not successful, then we really have to double down on ways to support workers and businesses and sectors in our economy. Imagine, for steel producers, if we're building big

national projects, there is an opportunity therein immediately for some of the great workers and businesses that produce some of Canada's steel. That is just one example amongst many.

The other thing, Senator Cuzner, which I think is instructive is that there is built into the CUSMA, that is, the Canada-United States-Mexico trade agreement, a review in 2026. To your point about the unpredictability of the American administration, President Trump will be the American president when that review comes up. I spoke to the Mexican economy minister yesterday about how we can work with our partners in Mexico when that review ultimately comes upon us. That uncertainty, sadly, will not dissipate if we get, as we hope we can, in the short term a deal.

There still is, I think, the urgency of giving ourselves the right instruments to build big nation-building projects again.

Senator Boehm: Welcome, ministers. Thank you for being with us. Time is short. I have two brief questions to ask Minister LeBlanc. The first is this: In developing Bill C-5, the building Canada act in particular, did the government take on any analysis in terms of similar nation-building initiatives that may have taken place in other countries around the world? I'm thinking in particular of Germany after the Berlin Wall came down — it was a pretty big nation-building experiment and project that is still going on — or countries similar to ours that are federations, like Australia. You mentioned you were talking to many people at Kananaskis, and you can do that sort of thing at summits.

My second question, I will put it straightforwardly: In many of my travels around the world, I have looked at projects built. It turns out that much of the investment came from Canadian pension funds. Is the government looking at drawing in Canadian pension funds as partners in these projects that you are going to approve?

Mr. LeBlanc: Senator Boehm, those are two excellent questions. Your experience in those summit contexts — I thought of you yesterday when our old friend Peter McGovern was in Calgary. He and I spoke of the work that you and he and I had done in previous iterations around some of those summits. You are absolutely right; there is an opportunity to talk to partners.

Australia's current ambassador to the United States is the former prime minister of Australia Kevin Rudd. He asked me about this legislation. He had taken note of it. You are right. If we're looking to examples, you named two, senator: Germany and Australia. We have to look to federations. It is different in a unitary state. The regulatory or approval barriers would be necessarily different. The two examples you used are very good.

The former prime minister, now Ambassador Rudd, talked to me about how in different parts of different states in Australia the national government had sought to incentivize these projects, including with Indigenous proponents. I was inspired by his interest in and knowledge of our circumstance and the comparators.

[Mr. LeBlanc]

I know our colleagues at the Privy Council Office working with Global Affairs Canada are exactly looking at examples of other federations. The two countries you mentioned, senator, I know are places where the Privy Council Office is interested in looking for best practices.

As to the other part of your question, senator, our view has always been that the best way to incentivize these kinds of projects is to look at private capital and to see how private investors are able to work in different regulatory contexts to identify opportunities and make those investments with greater certainty. We are going to be drawing in a series of partnerships that, in our view, will give Canada an opportunity we haven't had previously.

[Translation]

Senator Miville-Dechéne: Thank you, Minister LeBlanc. Welcome. Thank you, Minister Alty.

Mr. LeBlanc, you've talked a lot about projects that inspire Canadians. One of the big projects that gets a lot of air time is pipelines to transport Canadian oil, a major source of pollution due to greenhouse gas emissions. Are these really 21st-century projects, projects of the future, considering the fate of our planet, forest fires and our children? This is a more philosophical question. I get the sense we're moving backward. We talked about big post-war projects. Let's not forget that it's 2025.

Mr. LeBlanc: Thank you, senator. You're right about pipelines getting a lot of air time. I said as much to reporters on the record a few times, even on the air. I would say that, at the first ministers' meeting in Saskatoon, less than 5% of the conversations were about pipeline projects.

I was inspired by the Premier of Quebec's discussion of his collaboration with the Government of Newfoundland and Labrador to develop phase two of the Churchill River green energy project in Labrador. I was also inspired when the Premier of Manitoba talked about how we may be able to diversify our exports thanks to the seaport in Churchill.

There are certainly examples, as you said. I'm glad you asked the question because people might think that we're looking to take swift action in just one sector or with just one kind of project. I'm also thinking of the Conservative Premier of Nova Scotia, who talked about a clean energy project involving offshore wind farms and explained how this project could connect to transmission lines in the Atlantic provinces.

Senator Miville-Dechéne: Will you prioritize green projects over fossil fuel projects?

Mr. LeBlanc: We are not opposed to that, but we will study all projects that are presented. When I listed the five criteria that will be used to analyze whether a project is in the national interest, compliance with our climate change goals was specifically included.

Since we are talking about energy transition, I want to mention that investors from private companies have come forward with hydrogen and clean energy projects. These are business people coming to us with inspiring ideas, backed by their province or territory. If you want to talk about Canada's sovereignty and Arctic sovereignty, the Grays Bay project in Nunavut was proposed by Inuit representatives.

You're quite right. We'll look at all projects when they're presented. There could be a mix of projects, but this can't be defined as part of a component. I'm glad you allowed me more time to speak, despite a look from your Chair.

• (1610)

[English]

Senator Dasko: Welcome, ministers.

As you have articulated earlier today, and as we see in the bill, Part 2 sets out the factors that the government may consider when determining whether a project is in the national interest and if it will be included in the fast-track process.

It seems pretty clear to me that there will be competition for projects to be chosen. There will be projects, and their backers will be hoping to be on the list and be picked. Therefore, given that there will be a competition, the government needs a rigorous, fair and transparent process for choosing the projects.

I want to drill down a little bit. Can you be more specific on how the five criteria that you have identified will be applied? Are they given equal weight in the consideration of projects? Are some criteria more important than others? What is the process? Is it possible for a project, for example, to be strongly related to economic growth but not be so good at meeting another criteria, such as having clean growth potential? Perhaps there is a project that can spur growth, but it is not very good for clean energy or for clean growth potential.

I want to get a sense of how you are going to deal with the process because, of course, Canadians will want a process that is fair and transparent when you are choosing projects.

Mr. LeBlanc: Senator, to answer your question, the five criteria — and I enumerated them, so I will not reread them — are the factors that the government will consider when deciding whether we make that designation, as Minister Alty described that process.

It is hard to do it in the absence of a specific set of facts.

This will be the sixth time, but I will go back to the hypothetical: When we see a province, territory or Indigenous organization come forward with a project, the government will use the five criteria enumerated in the law, if the law is adopted by Parliament.

This is not going to be done in a steak house at night or in some restaurant. You will have premiers, you will have Indigenous leaders and — you are right — there is a healthy competition. The premiers are talking to each other and to us

about ideas they have. When a group of politicians get together, it is often not done quietly. In our view, there is a merit in having these premiers and Indigenous partners use examples.

At the end of the day, there has to be a proponent, and there has to be an amount of money that private investors and public investors are prepared to put forward. One of the reasons we want to do this is to incentivize that very investment. Then I hope you will see — to your colleague's question — a series of inspiring examples in different sectors, some of which people are perhaps not thinking of when they look at this particular bill right now.

Senator Martin: Thank you, ministers.

My questions are for Minister Alty. Bill C-5 proposes an Indigenous advisory council within the federal major projects office. Yesterday, the Indigenous leaders in this chamber said they did not know any details about the makeup and the process to form the Indigenous advisory council.

Can you provide some details on how the members of this council will be selected to ensure balanced representation of First Nations, Inuit and Métis voices?

Additionally, what formal mechanisms will be in place to ensure the council's advice carries real weight in project decision making rather than being a check mark in the process?

Ms. Alty: Thank you for the question.

There is not only this bill but also standing up the national major projects office as well as the capacity funding for Indigenous rights holders and the Indigenous loan guarantees. There are many moving parts all at once.

The terms of reference for the Indigenous advisory council will be drafted. We are not presupposing what the composition will look like, but we are looking to develop that over the summer, with it getting up in the fall.

Regarding how the council will engage with the major projects office, do you wish to speak about that, Minister LeBlanc?

Mr. LeBlanc: The question is a good one, and perhaps it picks up on Senator Housakos' initial question.

The federal major projects office is designed to be a small group of experts in supply chains, trade diversification, Indigenous consultation, equity, the Arctic and the North. It is not creating a big new bureaucracy. The idea is to take much of that expertise from existing departments and supplement it where necessary.

The Indigenous advisory council will be a key part of that evaluation. To Minister Alty's point, I saw some public commentary around whether the Prime Minister would meet with Indigenous leaders this summer before the council is stood up. He has made that commitment. The Prime Minister will be having those series of meetings with rights holders and Indigenous organizations, precisely to ensure that those decisions

reflect our desire to collaborate and integrate that work in the real decision making and the advice that would come to me, which I would then give to my cabinet colleagues.

Senator Martin: We still don't know the details, but that was a burning question. There is a desire for the leaders to understand what that will look like.

Given the council's input may influence projects deemed to be in the national interest, will the government commit to making the council's recommendations and rationale publicly available to ensure transparency and to demonstrate how Indigenous perspectives directly inform project outcomes?

Ms. Alty: I would clarify an important part: The Indigenous advisory council isn't an Indigenous rights holder. When we are talking about consultation to add a project to Schedule 1, or when we are talking about consultation on a project to set conditions, that consultation — the legal requirement — would be with the rights holder impacted.

The Indigenous advisory council would be that higher level providing recommendations to the national major projects office. I am making sure there is a distinction there.

Senator Martin: I have one more question in relation to the projects.

Given the emphasis of Bill C-5 on advancing projects of national interest, how will your government ensure that Indigenous-led resource and infrastructure projects — like those already mired in federal regulatory delays — are prioritized and supported through this streamlined process, especially when some already meet the government's criteria for economic benefits and likelihood of successful execution?

Ms. Alty: Projects that will be coming forward have done much of that homework already — the engagement with impacted Indigenous rights holders — and then some actually have Indigenous equity in those projects. That would score better, and that is more favourable.

We are looking for those projects that can hit the ground running. If you can show that you have Indigenous support of a project and it does have Indigenous equity, then it comes to the top more than a project that doesn't have the support of the local communities or doesn't have Indigenous support and still has to do a lot of that homework.

Again, this legislation is also time-limited with those five years. Recognizing the challenges that the country is facing, such as the steel and aluminum tariffs, we want to get these projects going sooner rather than later, and projects that have that support would come up higher.

• (1620)

Senator Seidman: Thank you, ministers, for being with us.

My question is for you, Minister LeBlanc. The bill states that the purpose of the act is to promote free trade and labour mobility within Canada while continuing to protect the health and safety of Canadians.

The Canadian Cancer Society has cautioned that Bill C-5 could unintentionally weaken public health and safety protections by enabling less stringent provincial health standards to become the default if the federal standards were removed in certain cases.

Is there a safeguard in this bill to ensure that this does not happen?

Mr. LeBlanc: Senator, your question is a good one in the sense that if we're talking about either coming to cooperation agreements with provinces and territories in terms of reviewing projects or in the case of labour standards, which would be the first part of the legislation. The idea is absolutely not to drive it to the lowest common denominator, but to be inspired by best practices and to avoid duplication and overlap.

Therein lies the authority to come to cooperation agreements with provinces and territories with regard to approvals and review processes, but I certainly share your view that Canadians would not be forgiving of governments, federal or provincial or territorial, that — to use your example — would seek to undermine health and safety standards essential to the fight against cancer.

That was the example you used and it is one in which I — obviously — have a keen personal interest. However, there are examples in other sectors where governments can be inspired by best practices, avoiding delay, overlap and duplication, while maintaining high standards that Canadians rightfully expect.

Senator Seidman: Thank you. Does the bill allow for a specific exemption for health issues using the regulations after the bill is passed, for example?

Mr. LeBlanc: Please give me an example, senator, of a health issue.

Senator Seidman: For example, the Canadian Cancer Society talked about asbestos. Asbestos is absolutely not permitted by Canadian standards and regulations, but there are provinces that still permit a certain amount of asbestos in buildings. That is an example that has been used.

Mr. LeBlanc: Again, that's a good example. I'm not a scientific expert on those standards, but as the minister who would oversee the process by which we would sign cooperation agreements with provinces and territories, I know that my colleague Chrystia Freeland would certainly have carriage of the responsibilities pertaining to those standards. Again, I understand the concern, but it is extremely hypothetical to say that the Government of Canada would seek to weaken standards that protect people from potential cancer-causing circumstances like that.

I understand the concern, but our objective will be to be inspired by some of the best practices used by the different jurisdictions and to find a way to have a common, high standard in terms of protecting Canadians rather than to allow this to reduce the standard across the country. That would be an outcome that is absolutely unacceptable to us.

[Mr. LeBlanc]

The Chair: Honourable senators, the committee has been hearing from the ministers for 130 minutes. In conformity with the order adopted by the Senate, I am obliged to interrupt proceedings in order to proceed with the second panel.

Ministers, on behalf of all senators, thank you for joining us today to assist us with our work on the bill. I would also like to thank your officials.

Hon. Senators: Hear, hear!

The Chair: Honourable senators, we will suspend for 10 minutes to prepare for the second panel. We will resume at 4:32 p.m.

(The committee was suspended.)

• (1630)

(The committee resumed.)

(Pursuant to the order of the Senate, the witnesses were escorted to seats in the Senate Chamber.)

The Chair: Honourable senators, the Senate is resuming in Committee of the Whole to continue its consideration of the subject matter of Bill C-5, An Act to enact the Free Trade and Labour Mobility in Canada Act and the Building Canada Act.

The committee will now hear from Joshua Ginsberg, Director, Ecojustice; Sean Southey, Chief Executive Officer, Canadian Wildlife Federation; and as an individual, Martin Olszynski, Associate Professor, Faculty of Law, University of Calgary.

I would like to thank you for being with us today. I would ask you to make your opening remarks.

Joshua Ginsberg, Director, EcoJustice: Thank you very much for the invitation. *Meegwetch*. I wish to acknowledge that we are gathered here today on the unceded territory of the Algonquin Anishinaabe people, with much gratitude.

I am a lawyer with Ecojustice, and my remarks are supported by many of Canada's leading environmental organizations, including Nature Canada, WWF-Canada, West Coast Environmental Law, the Canadian Parks and Wilderness Society, Sierra Club Canada Foundation, Équiterre, David Suzuki Foundation and Environmental Defence.

I would like to begin, senators, by underscoring a point already raised by Indigenous organizations yesterday, including the Assembly of First Nations, that deep consultation and the free, prior and informed consent of Indigenous peoples must be a prerequisite, not only to decisions to be made under this bill but to the legislative initiative itself.

If more time is needed to fulfill that obligation, then I respectfully submit to you that Parliament should prioritize getting it right and taking the time that is necessary.

As His Majesty noted when he gave the Speech from the Throne in this very chamber just days ago, Canada faces an urgent and interwoven set of challenges, from global instability to economic uncertainty, from worsening wildfires to the

alarming decline of species like caribou and killer whales. We agree that to meet the moment, Canada must build infrastructure faster, but we must also build wisely and uphold the environmental and democratic safeguards that make progress both possible and lasting.

Bill C-5's building Canada act proposes two major shifts to how major projects are approved. First, it would allow cabinet to override entire federal environmental laws, without returning to Parliament, through mechanisms known as "Henry VIII clauses." These extraordinary powers would concentrate significant authority in the executive.

Among the statutes listed in Schedule 2 to the bill is the entire Species at Risk Act. We urge this chamber to reflect carefully on the precedent that sets and the threat it poses to Parliament's role in our democracy.

Second, the bill allows the government to deem projects to meet environmental standards, even if those standards are, on the facts, clearly not met. That raises serious legal and scientific concerns, particularly in relation to the Species at Risk Act and its permitting provisions.

Section 73 of that act is a cornerstone of species protection. It prohibits issuing permits for activities that would jeopardize the survival or recovery of a threatened or endangered species. Including that section, in particular, in the schedule of exempt acts raises a dangerous possibility that decision makers could be required to deem that no jeopardy exists, even when scientific evidence shows otherwise. Put plainly, this could force the government to authorize a project that may kill the last remaining members of a species. That is not just legally and ethically troubling; it is, in my submission, ecologically reckless.

We, therefore, urge this committee to recommend that the permitting sections of the Species at Risk Act, that is 73, 74 and 77, be removed from Schedule 2. These are core science-based protections and should not be subject to override.

More broadly, the bill does not currently require that these new powers be used only for projects that align with climate targets or other environmental goals, nor does it require respect for the long-established legal and scientific factors that have guided environmental decision making for decades.

To conclude my opening remarks, we respectfully recommend five improvements. First, remove these "Henry VIII clauses." The other tools in the bill already provide flexibility to accelerate project approvals without granting sweeping legislative authority to cabinet.

Second, require that all conditions and decisions, including deemed decisions, meet or exceed the standards of existing environmental laws.

Third, remove the permitting provisions of the Species at Risk Act from Schedule 2 to preserve the integrity of science-based species protection.

Fourth, limit the use of national interest designations to projects that demonstrably support Canada's climate, clean growth and biodiversity commitments.

Finally, ensure that transparency, Indigenous consultation and public participation remain central to any fast-tracked approval process.

These changes, senators, would not undermine the government's ambition to build faster; they would strengthen it by ensuring that accelerated development does not come at the cost of environmental integrity or legal credibility.

We believe it is possible and necessary to build infrastructure that serves both the people and the planet. We stand ready to work with Parliament to make that a reality. Thank you.

Martin Olszynski, Associate Professor, University of Calgary, Faculty of Law, as an individual: Good afternoon, senators.

My name is Martin Olszynski, and I am an Associate Professor and the current Chair in Energy, Resources and Sustainability at the University of Calgary, Faculty of Law. I want to thank you for this opportunity to appear before you today.

Briefly, by way of background, I have spent almost 20 years in the major project review space: as a lawyer for Fisheries and Oceans Canada, or DFO; as an academic; as an expert witness in regulatory hearings; and, for the past four years, as a member of MINAC, the Minister's Advisory Council on impact assessment of the federal Minister of Environment.

I want to preface my remarks by saying that, like my colleagues here and most Canadians, I support the advancement of projects in the national interest. Further, I would support a law that accelerates their review and enhances regulatory certainty while also upholding rigorous standards of environmental protection.

As drafted, however, the building Canada act won't accomplish these important goals. First, it goes beyond accelerating processes towards negating existing environmental laws. Second, it circumvents the normal checks and balances that are the hallmarks of functioning democracies. Finally, all of this actually invites uncertainty and delay in the project review process.

• (1640)

I am going to skip over listing because the looseness of that seems well understood, and I will focus on two other elements of the act: section 7's deeming provision and the so-called "Henry VIII" clauses that my colleague referred to already.

As I'll explain, section 7's deeming provision effectively ousts applicable federal environmental laws and the Canadian court's role in upholding them while the "Henry VIII" provisions represent a staggering intrusion on Parliament's fundamental role in making, amending and repealing laws.

In both cases, the unquestionable winner is a barely constrained executive branch.

Beginning with section 7, once a national interest project is listed and the proponent has done what they need to do subject to the laws that would normally apply to their project, the minister will at some point issue a master authorization document that will stand in place for all the federal authorizations and permits that would otherwise have been required.

There is no harm in consolidating the necessary authorizations and permits in one place. But here's the kicker: subsection 7(3) deems that master authorization as meeting the requirements of all those other enactments.

The use of the term "deem" is critical here. The federal Department of Justice's website helpfully explains that you use the term "deem" to create a legal fiction.

To understand why this fiction is problematic, you have to appreciate that modern environmental laws are both outward and inward facing — they constrain individuals and corporations, yes, but those constraints are rarely absolute; they're an opening bid.

And it's at that point, recognizing governments' prior miserable track record in dealing with environmental concerns, that environmental laws seek to constrain the executive branch too.

For example, if a national interest project is going to impact fish habitat, then the Fisheries Act requires Fisheries and Oceans Canada, or DFO, to consider several factors, including the potential for cumulative effects. These constraints are essentially guideposts. They don't dictate a particular outcome but help to guide decision making, to varying degrees, towards more sustainable development.

Subsection 7(3) steamrolls this part of the federal environmental regime. It creates the legal fiction that the designated minister has complied with all these guideposts, even if it hasn't. This is essentially a blank cheque for the executive branch, subject only to some consultation with the relevant minister.

And because it's a legal fiction explicitly created by statute, the Canadian judiciary's supervisory role is also negated, a role that has proven critical in securing at least some semblance of implementation of Canada's environmental laws.

This is a radical departure from the status quo. There are ways to limit judicial intervention without eliminating it altogether.

This brings me, finally, to sections 21, 22 and 23 — the act's "Henry VIII" clauses — pursuant to which cabinet will have the authority to make regulations to not merely flesh out the provisions of this act — which is, of course, normal — but to modify and even exempt the application of any law in the federal statute book.

This is a staggering power, even by today's standards. I asked my research assistant to collect and compare the "Henry VIII" provisions of all similar bills. We've seen Alberta's Bill 1; British Columbia's Bill 7 and Bill 15; and Ontario's own Bill 5.

Bill C-5 is only matched by Premier Ford's in terms of the breadth of the power here. To their credit, both Premier Smith and Premier Eby have scaled back their own versions in the face of public opposition. The Prime Minister should do the same.

This is not a partisan issue. I am not implying bad faith or malice. Rather, to paraphrase Yale historian and now Munk Professor Timothy Snyder, history instructs that the separation of powers matters fundamentally.

If history and democratic norms are insufficient, I'll conclude with a very pragmatic argument. Instead of accelerating reviews, both section 7 and the "Henry VIII" clauses have the potential to bog down reviews because they invite endless lobbying and renegotiation of standards that are clearly set now but which will be open to renegotiation.

I saw it all the time in my prior time as a lawyer for DFO. Instead of getting on with reviews, proponents would argue about whether the act applies or not.

I think I'm now out of time. I want to thank you, and I look forward to answering any questions you may have, including how we might improve this bill.

Sean Southey, Chief Executive Officer, Canadian Wildlife Federation: Honourable senators, my name is Sean Southey, and I am the CEO of the Canadian Wildlife Federation, or CWF. I am joined by Nick Lapointe, our senior conservation biologist. We are honoured to be here today to speak about Bill C-5.

In the spirit of pragmatism and partnership, CWF is committed to constructive engagement with the federal government. As articulated in our five-year strategic plan, our mission is to conserve and inspire the conservation of Canada's wildlife and habitats for the benefit of all Canadians.

We recognize and appreciate the concerns on the bill raised by our non-governmental organization, or NGO, colleagues in the news, the press and with us today. Our response needs to be grounded in our collective and shared responsibility to ensure that environmental, social and economic reforms are advanced with rigour, transparency and accountability.

CWF acknowledges the spirit of Bill C-5 and the process the government is undertaking to address the current constellation of national crises, including the environmental emergency that continues to threaten our ecosystems, wildlife and our future well-being.

As the bill is being implemented, we need to foster meaningful collaboration with local communities, Indigenous partners and NGO allies while ensuring we obtain the consent from Indigenous rights holders. Fast is good; fast and sustainable is better; fast, sustainable and beneficial for all, including wildlife, is what we all seek for Canada.

We need to balance progress with environmental stewardship. CWF and other experienced NGOs can play a key role in helping the federal government broker these important trade-offs.

Streamlining environmental regulations under the bill does risk sidelining biodiversity safeguards. We need to get ahead of this and innovate at the scale of our national ambitions.

We need new tools that have been proven to work in other jurisdictions, that are based on excellent science and can ensure engagement and benefits to Indigenous peoples and local communities. Therefore, we strongly encourage the government — and hope you will champion this with us — to launch certain new ideas as we roll out the bill. We encourage you to consider a third-party habitat banking scheme and what is called an in-lieu fee offset program to complement the bill.

First, I think it's important to articulate what an offset is. It is a conservation action that's designed to compensate for the impact of the development projects. This bill focuses on development projects. Putting it simply, if there's a negative environmental impact over here, we have to ensure an equal or better environmental improvement somewhere else. Luckily, there are tools to do that.

Our Fisheries Act already requires proponent-led offsetting, but we do not believe this is sufficient. For starters, it frankly adds years to project approvals. Proponents must find offsets, get support from Indigenous rights holders and obtain authorization from DFO.

Often after the offset is done, it takes a long time for the restoration to happen, so there's a gap between harm and recovery. Sadly, at the end of the day, often these offsets don't work. We need to ensure, as we roll this bill forward, that things are in place to make it work.

We encourage the federal government to allow this remedy by enabling third-party habitat banking under the Fisheries Act. This is a win-win-win. Conservation benefits arise from restoring habitats in advance and confirming the effectiveness before selling credits. Proponents, the champions of these projects, can benefit from streamlined regulatory approvals while we recognize the environmental benefits for all Canadians.

However, it takes a while to put third-party habitat banking into place, and we need those tools right now to move these projects forward.

We are recommending that the government allow proponents to do what's called a pay in-lieu fee program. Therefore, they can pay as they go with offsets happening. We see in these proven approaches ways to reduce delays and allow projects to get built while ensuring that Canadian conservation and restoration efforts flourish.

We at CWF and our colleagues are here to help. We have worked on these issues for years and we have shovels and wildlife ready. Thank you for your time and for your commitment to working to create a culture of conservation in Canada. Nick and I remain available to answer any questions. Thank you.

• (1650)

The Chair: Thank you for your opening remarks. We will now move on to questions.

Senator Martin: Thank you all for being here and for your testimony. My first question is to Mr. Ginsberg of Ecojustice, although I know that Mr. Olszynski also mentioned this in his opening remarks.

Ecojustice has flagged the potential for Bill C-5 to backfire, exposing Canadians to lawsuits, remediation costs and degraded ecosystems. You mentioned the example of the Department of Fisheries and Oceans, or DFO, and the delays and, in the end, the cost to taxpayers.

From a taxpayer standpoint, does this legislation represent responsible government? Could this not open the door to major legal liabilities for taxpayers?

Mr. Ginsberg: Thank you, senator. First, I hope you will not object if I mention that I neglected in my opening statement to acknowledge my colleague appearing here with me, Charles Hatt, Program Director, Climate, Ecojustice, who may also interject. Thank you.

To your question, Ecojustice does not object to responsible development that is efficient. We certainly acknowledge there are ways to more efficiently use, as you suggest, taxpayer dollars in order to get projects built that we will need for our sustainable future. We are concerned that this bill does not represent fully that ambition because it allows cabinet decisions to overwhelm public and Indigenous consultations.

Certainly, taxpayers who fund projects also wish to have a say in how they are developed, and we would like to see the bill amended to provide more room for both Indigenous and public consultation.

Senator Martin: On that note, the list of national interest projects is not yet public, and so far, the government has been very vague in their examples of potential national interest projects. As stakeholders — and this could be a question to any one of you — how important is it to see a potential list or at least a concrete example of what would be deemed a national interest project before Parliament proceeds with the bill? What level of detail should be required for projects to be evaluated meaningfully?

Mr. Ginsberg: I can begin. Senator, there are two things that are important here. First, we need to understand the who, the what and the why of a project before it can even be considered for these extraordinary powers. It is critical — and I believe that during his appearance, Minister LeBlanc confirmed that we will need sufficient information. But the bill does not speak to that. It doesn't require any threshold for information before a project is a candidate for scheduling. That is one very important improvement that could and should be made.

The second issue is the matter of the criteria that are applied to that question. Right now, as the bill is drafted, it's quite open-ended. It could be anything. Yes, there is a list of considerations that may be taken into account. We believe the "may" should turn into a "must," so that it is clear what is necessary, and that it be a requirement for such an extraordinary power that any project considered for listing actually advances Canada's biodiversity and climate goals.

Senator Martin: Right, because clause 5 allows cabinet to designate projects as being in the national interest based on ". . . any factor . . ." You see a lot of risks. Do you want to expand on why that is a concern to you?

Mr. Ginsberg: I'll defer to my colleagues.

Mr. Olszynski: It is interesting. That clause is basically worded as if you can consider any colour, including red, orange, yellow and blue. That is, essentially, the effect of that provision.

I would probably agree. It might be helpful to have a list of projects that are contenders, if you will, in this space, but it doesn't change the language of the act. In that sense, it is very open-ended. So even if you had a first vintage of projects and they had a certain sort of flavour, there's nothing in the act that would bind the government to keep moving those kinds of projects forward. They could easily pivot and start focusing on different factors, and the act would allow that.

Mr. Southey: At the Canadian Wildlife Federation, or CWF, we're not as much in the environmental law space as our colleagues. We work across Canada with other NGOs, local communities and Indigenous peoples to implement projects. We know that when you implement a project, in almost any circumstance, there are environmental implications. We believe that the bill must be prepared from top to bottom to ensure that those processes are done. That means we have a duty to consult on what projects go into that schedule and seek consent on the schedule list. It also means that once projects get on that list, we are prepared to move at the speed and with the professionalism required to ensure that those implications, those environmental consequences, are managed to the extent possible.

In the environmental world, we say that it's best to avoid a problem. We shouldn't ever build if there's a unique or endemic species at risk. But if it's a manageable problem, we can move to a mitigation regime where we take care of it the best way possible.

Sometimes we need to offset. That's where we take the consequences and ensure that at the end of the day, Canada is better due to these big investments. If we're smart and we work together, we can ensure that the follow-up, once things are listed, is done well. Many of us in the environmental movement are willing to work on ensuring that the delivery at the tail end is commensurate with the ambition.

Senator Martin: The government claims this legislation supports clean growth, yet you argue that it would allow the government to issue project approval even in the face of significant environmental harm.

From your perspective, is this consistent with Canada's domestic and international climate commitments? Do you think this bill could ultimately undermine potential trade agreements between Canada and more climate-activist countries?

Mr. Ginsberg: To respond briefly, I would say that depends, senator, on how it is applied. There is a lot of discretion as to how precisely these tools are going to be used, and more direction in the legislation itself regarding these factors and the manner in which these extraordinary powers are to be deployed would be very helpful.

Senator Martin: Does anyone else wish to add to that?

Mr. Southey: We would hope that anything that has profound environmental consequences or doesn't advance our climate agenda will not be scheduled on this list. The soft preamble text of the bill does call for that attention. We hope that as things become scheduled, that level of scrutiny is brought to bear so that this makes a better, greener Canada, not just a faster Canada.

Charlie Hatt, Program Director, Climate, Ecojustice: I'm a lawyer with Ecojustice and a colleague of Mr. Ginsberg. I would simply add that, as my colleague said, it depends on implementation. Parliament shouldn't let it depend on implementation. The criteria for designating a project as a national interest should include a requirement that the project advance Canada's climate commitments, whether that be in the context of trade — as the senator remarked — our international climate commitments or our domestic legislated greenhouse gas emission reduction targets. That's the best way to ensure that national interest projects will be win-win for our climate and our economy.

Senator Martin: More broadly, Mr. Olszynski, you talked about how this bill shifts too much power to ministers and cabinet and away from the established regulatory and legislated processes. Do you have any suggestions for oversight mechanisms that Parliament should introduce to restore that balance?

Mr. Olszynski: It would be a fairly simple change that you would make to subclause 7(3). I can see why it might seem attractive to the government — that they want to have the ability

to rearrange all these environmental laws. They'll consult with the minister but then essentially re-establish conditions and standards.

• (1700)

The reality is that this is a hard job that we've been doing for 50 years. The calibration is not perfect. We can always think about changing how strict some of these laws are, but generally speaking there is a consensus. I know that law; regulatory lawyers know that law; First Nations understand those laws.

The idea that all of that would suddenly just be set aside and that this new designated minister would have, essentially, an unfettered ability to decide what those standards should be in every given instance — whether it's impacts to species at risk, impacts to fish habitat, impacts to migratory birds or transboundary water pollution — and that all of that would suddenly become ad hoc will create confusion and will bog down the system.

Senator Galvez: When projects have undergone a quick approval process like this in the past, we have often seen them go without proper consultation or assessment for risks, they are challenged in court, they antagonize local communities and cause environmental disaster.

Mr. Ginsberg, what makes a set of project conditions effective from an environmental protection standpoint?

Mr. Olszynski, as it is, what is the risk of litigation?

Mr. Ginsberg: Thank you, senator, for that question. To answer, I will pick up on a point that my panellist, Mr. Southey, made regarding mitigation versus offsets.

An effective set of project conditions follows a clear hierarchy. You begin by trying to avoid environmental damage wherever possible. If that is not feasible, then you move to minimizing effects, then restoring the status quo and, finally, only as a last resort, to offsets. That sequence ensures the least possible harm to ecosystems and species. If you don't have that structure in place, there is a risk that we could go directly to compensating for damage before we've considered whether that damage is actually necessary in the first place, and compensation rarely works as well as prevention.

Including the principle of a mitigation hierarchy in the bill within the section that talks about implementing conditions would ensure a consistent and science-based approach to that exercise of condition setting. That is our strong recommendation.

Mr. Olszynski: In terms of litigation risk, do you mean to the bill? Yes. In some respects, the bill is fairly conventional.

As Mr. Ginsberg and I have said, these "Henry VIII" clauses have been upheld by the courts in other contexts, but not — to my knowledge — a clause that is as wide-ranging as this one. For instance, under the Greenhouse Gas Pollution Pricing Act, the Governor-in-Council had the ability to modify the statute through regulation, but it was just that statute.

We've looked around, and other than some of these other bills such as Premier Ford's bill now, generally speaking, we have not allowed the executive to amend any and all laws through executive power. There is a question mark there.

I will note that Justice Côté did dissent strongly in the *GGPPA* reference, saying that she thought these clauses were problematic from a separation-of-powers perspective. So there is a risk there.

Then there is the section 35 Aboriginal rights risk. There is some litigation and case law around whether legislation like this engages the honour of the Crown in that process. I am certainly not an expert on that side of things, but there is a risk there as well.

Senator Coyle: Thank you to our witnesses for being with us. Welcome back to you, Professor Olszynski. My question is for you.

I am sure that, like all Canadians, you agree that it is important to build a strong, resilient and sustainable Canadian economy. We can all agree on that much. In your recent article with David Wright entitled "Bill C-5: Move Fast and Make Things, or Move Fast and Break Things?" you indicate that for the small number of projects in the national interest that this bill will deal with as this process unfolds, the "move fast and make things" one, which we, of course, all wish for, or the "move fast and break things" one, which no one wants, still remains to be seen.

You mentioned cautionary tales — and you have addressed a little of that earlier on — from past situations in Canada in which past processes were rushed or narrowed and then the results were backlash, cost overruns, lengthy legal battles and, in worst-case scenarios, damage to our human health or to our environment.

Professor Olszynski, I know it is too early to tell what the outcome will be, even though we all want to make things move fast and we want good things to come from that. That is the scenario we want. Could you tell us if there are types of projects, or projects with certain types of characteristics, that you believe would have a greater potential for success given all considerations?

Mr. Olszynski: That is not a small question, senator. Thank you for that.

One of the things that my colleague and I, David Wright in particular — this was his theme here — realized was that, for this regime to function, consent from Indigenous nations was a prerequisite for all these projects. Fundamentally, going to the back end and seeing how this plays out, I said that because of the suspected "deeming" that happens, an organization like Mr. Ginsberg's would be hard-pressed to mount a successful challenge to one of these authorizations. That is because you would go into court and say, "You haven't met the requirements of section 7," and the court would say, "But Parliament deemed them to have been met," and that's it. But, of course, Parliament cannot deem away the Constitution.

[Mr. Olszynski]

I want to be careful how I express this, but it seems problematic to me that, in a sense, what happens is that First Nations are being placed in a difficult position, because they have their own aspirations. We are in the midst of a reconciliation project in this country. Whether intentionally or not, this bill places them right in front of what, presumably, the government of the day will say are projects in the national interest. That is a very difficult position to be placed in.

As I say, the only way to avoid that difficult position is to focus on projects for which there is First Nation support.

[Translation]

Senator Miville-Dechéne: Thank you for being here, gentlemen. Like others in the Senate, I worked for a long time on Bill C-48, which prohibited oil tankers from docking along British Columbia's north coast. The bill was presented for environmental reasons, essentially to protect fisheries and at the request of certain Indigenous groups. I'm sure everyone would agree that, back then, the bill revealed a deep divide between Indigenous groups and non-Indigenous groups, although it was ultimately passed.

The Premier of Alberta recently said she was interested in shipping her oil to the port of Prince Rupert, so it could get to Asian markets faster. You mentioned that Bill C-5 allows the suspension of any law. That is what I understood.

[English]

Any law in the federal statute.

[Translation]

Does that mean that Bill C-48 could be suspended, if this is considered a bill of national interest? I don't know how long we worked on it, but that bill was a choice made by the previous government on behalf of our society.

Mr. Olszynski: The answer is yes, that is definitely the case. There will always be the constitutional imperative regarding Indigenous people and their section 35 rights, but to answer your question about Bill C-48, yes, that is exactly right.

Senator Miville-Dechéne: I would like to discuss the issue of provincial environmental assessments with you, because it has been suggested that the federal environmental assessment could be eliminated and only the provincial assessments would be conducted. I am thinking, for example, of those that exist in Quebec and Alberta. What can you tell us about provincial assessments compared to the federal assessment?

• (1710)

Mr. Ginsberg: Thank you for your question. Federal and provincial environmental assessments have different goals because there are different divisions and jurisdictions between the provinces and the federal government. However, cooperative initiatives can be developed between these levels of government. I think there is room for improvement when it comes to cooperation.

[English]

We would be concerned about any attempt to abdicate the proper federal role because there are certain things that only the federal government can evaluate under its jurisdiction. We can cooperate while we each maintain our proper jurisdiction, as the Constitution requires.

Senator Prosper: Thank you to the panellists. My first question will go to Professor Olszynski.

You wrote a blog post about Bill C-5 and stated:

How can the Crown fulfill its consultation obligations (let alone obtain consent) with respect to a large-scale nation-building project within the short timelines that seem to be envisioned by government and proponents? The answer is not entirely clear. . . .

Can you advise us if there is any way this bill can be improved to better ensure that meaningful consultation is undertaken with Indigenous peoples?

Mr. Olszynski: Thank you, senator, for that question.

Again, it is difficult. I recognize that I cannot speak on behalf of any Indigenous nation, of course, but I have had the privilege and good fortune of working alongside them from time to time. What we are talking about here is free, prior and informed consent. We are talking about an ethical standard.

The reality is that we have laws, of course. We now have a law in Canada that moves us in the direction that endorses the United Nations Declaration on the Rights of Indigenous Peoples. I actually happened to catch your remarks in the chamber earlier today, and I would echo back to you the things that you said: This is not actually a mystery; we have a track record and developed processes in place for doing this work. We could be doing that work here.

Senator Prosper: Thank you. My next question is for Mr. Ginsberg.

We were at a press conference yesterday, and it was nice to see you there. Could you speak about the “Henry VIII clause” with respect to greater detail and share how you would like to see that amended to better constrain the broad, sweeping powers that the government is seeking through that clause?

Mr. Ginsberg: Thank you, senator.

In terms of amendments to the “Henry VIII clause,” as I said, the best course of action, in our view, would be to delete it. I say that because there is already a very significant and sweeping

power contained in the bill, which is the deeming clause that I have spoken about and which Professor Olszynski elaborated upon in some detail. It is very powerful and accomplishes all of the things that the “Henry VIII clause” can in terms of allowing projects to proceed on a very expedited timeline.

The “Henry VIII clause” is dangerous because it allows cabinet to exempt entire projects wholesale from the application of federal law. That includes the Canadian Environmental Protection Act, 1999, the Migratory Birds Convention Act, 1994 and, as I have said, the Species at Risk Act. These are not just mere procedural statutes or roadblocks on the way to development; they contain substantive provisions meant to prevent irreversible harm, such as driving species to extinction or polluting air and water in ways that threaten human and ecosystem health. They are not meant to be waved away.

Like Professor Olszynski, I do not impart any malice to the government in suggesting that, but I do suggest that in its zeal to ensure important projects proceed quickly, perhaps it has included a little bit too much and proposes to tread on Parliament too much, and that should be scaled back.

Mr. Hatt: I have a quick addition, senators.

If the government is seeking such an extraordinary power, it should justify the request, and we are not yet aware of any justification advanced by the government for why this extraordinary power is needed on top of the other processes in the proposed legislation.

Senator Papatello: Thank you. This question is for all three of you. I will give you a few minutes to think about your answer while I give you my preamble.

I was hoping for examples from each of you regarding projects that you have participated in that led to great mitigation, as well as projects that went forward and were very successful. Here’s my own history with large projects in the Ontario government: The largest and the latest was bringing Highway 401 right to the new Gordie Howe International Bridge. It started as an impossible task and took my entire career there to finally get through the processes — we ended up with more naturalized space, more wildlife, more preserved species and more fencing for snakes that are travelling around my region more than we had before we started. Frankly, it is a fantastic example of how groups came together in the absence of laws that told us we needed to, but rather through an awareness that exists in our communities around big projects, especially in the middle of an urban centre like mine that’s at the heart of the trade corridor for the continent.

I’m feeling really hopeful that with these big projects — despite the laws or anything written — we are doing the right thing and we have been doing the right thing in better ways for a long time.

Unfortunately, we do not have a lot of examples of big projects in Canada. That is why I think timing matters here and why the three of you might agree — especially me, coming from Windsor with over 10% unemployment — we are in an economic crisis already. We need to see projects the size of the Gordie Howe International Bridge and more of them so that we can actually

keep those jobs going and bring those exports to the border in an easier fashion. We need to know that environmental groups that do fantastic work can help us get there.

After that preamble, please give me your best examples of where it has worked and the mitigation that you have helped to achieve to make those projects move forward.

Mr. Olszynski: I can give examples of projects that I have participated in as an expert witness. Unfortunately, I will have to modify your question a little bit, senator, with your permission. They speak to the other side, but I think I can bring it back, and, hopefully, you will indulge me a bit.

I was an expert witness in the Grassy Mountain coal project proposal in the southwestern slopes of Alberta. That project was ultimately rejected by the regulator. One of the things that I thought was problematic was a significant gap in information that was required in order to be able to make determinations about the effects that project would have.

I hesitated to bring this up, but this is as good a moment as any to explain why we're all here: Fundamentally, there is what seems like an intractable problem in terms of the level and sufficiency of information that is used to make decisions about projects. Proponents and proponents' consultants generally take the view that governments ask for too much information, and then we receive rounds of information requests. Those are the things that delay projects. The proponent has done, let's say, one year of baseline studies, but the government or stakeholder — maybe it's a First Nation — will say they need three years of baseline studies, because one year is just one year. They are not wrong; it is hard to base the effects of a project on one year of studies.

• (1720)

That is actually the problem at the root of all of this. I sit on the Minister's Advisory Council on impact assessment, where we are aware that this whole debate about project review for the past five years has been happening in a fact-free vacuum. There are a lot of good things that can happen, and a lot of innovations are being done at the project level to move these projects along, like tailoring impact assessments and trying to bring in more standard mitigation measures, but all of that is happening in the background. The loud voices are saying, "faster, faster, faster."

One of the reasons I am concerned is that issue right there.

Senator Papatello: I know you were going to give me your example next once you were done, but maybe your colleagues will have examples for the record.

Nicolas Lapointe, Senior Conservation Biologist, Freshwater Ecology, Canadian Wildlife Federation: I wish we did have a clear example to provide here. There are a couple of reasons why we don't. In part, it is not our true business to be working on development projects and the mitigation and avoidance there. Those are typically done by industry and government.

I have a small example where the Canadian Wildlife Federation worked with the Takla Nation and CN Rail together on a restoration project where we removed an abandoned rail crossing that was blocking access for kokanee salmon and other fish species to a great deal of their habitat upstream, and that collaboration was a great success.

We could talk of a lot of large-scale ecological restoration projects that would be in the national interest that we could collaborate on. However, I appreciate your question is of a different nature. One of the big reasons we struggle to find examples is that, to date, the objective that we have strived for is no net loss. A project, after applying the avoidance, then mitigation, then offsetting measures, has tried to achieve no net loss of environmental benefits and attributes. To date, we have, on average, failed to do that.

If we can shift that to an objective of net gain where we are delivering these projects and investing, while delivering those projects, in sufficient restoration to provide that net benefit that you have seen in that project —

The Chair: Thank you, sir.

Senator Francis: This question is for Mr. Olszynski. I'm concerned that Bill C-5 does not include any mechanism to pause or revoke a project once the single authorization document has been issued, even if new evidence later reveals that the project creates significant unintended social or environmental consequences. In your opinion, should the bill include a mandatory review mechanism or revocation clause to allow for reassessment and corrective action after approval?

Mr. Olszynski: It is true that a project can be deleted from the list but only until the section 7 authorization is issued. It is hard to imagine in a bill like this, where the whole point is to create certainty or an early green light, having a provision that revokes that green light. I imagine that it would be hard to reconcile those two imperatives.

However, there is a power to change the conditions of a project as time goes on. That power is explicitly there. It is important that it is there. Then the question becomes in a sense, what can you do with the breadth of that condition changing? It might mean that, ultimately, if you have decided that some effect or impact is not actually okay, you could change the conditions to try to minimize or even eliminate it. But to your first question, I think in the context of the bill that says yes right out of the gate, it would be hard to include something like that.

Senator Wilson: My question is for Mr. Southey. You specifically referenced third-party habitat banking in your comments. I am a big fan of this. I think it is a great way to make sure that a habitat is up and operating before it's used as an offset against a project. I'm continually frustrated by how this is not used more widely. Can you give us your thoughts on why that is and what needs to be done to make that happen more generally, not just in relation to this bill?

Mr. Southey: We can see multiple jurisdictions around the world where you have robust restoration economies created because there are provisions for third-party habitat banking. Our friends to the south of us have a very rigorous system. There is no reason Canada cannot have the same.

It is a matter of just putting the proper tools into the legislative array. It does mean creating new capacities in Fisheries and Oceans Canada, or DFO, to know how to handle these if it is a fisheries offset. There is no reason those capacities cannot be built quickly. It does demand that the interlocutors, whether it be an NGO, an Indigenous group or a consulting firm, understand the rules of the game and can put those mechanisms in place quickly. We believe that this is not a big lift.

For 5 or 10 years, we have been looking at this issue in Canada. We have many allies. We believe it could be put into place quickly. Even if it were put into place quickly, it still takes a while to implement, but the long-term benefit is an economy and culture of restoration — led by Indigenous peoples, local NGOs and local governments — that can lift communities and lift the economy. We would join you in celebrating it as a mechanism.

Senator Klyne: Gentlemen, in 2022, RBC released a report entitled *92 to Zero: How economic reconciliation can power Canada's climate goals*. The report noted that achieving net zero:

... will rely heavily on vital sources of capital held by Indigenous nations. RBC estimates Canada needs roughly \$2 trillion in capital over the next 25 years, much of it from Indigenous sources—or unlocked by Indigenous partnerships, including ownership.

The report notes that the Indigenous lands hold vast resources essential to green energy systems, including 56% of advanced critical mineral projects.

With the urgency of economic development, if the government looks at prioritizing some critical minerals projects involving Indigenous lands, can you please walk us through what the consultations and decision making would look like with Bill C-5 compared to without it?

Mr. Ginsberg: I can certainly begin. One of our main concerns about the bill, which has been echoed by the Indigenous groups who have come before you, is that there is no explicit reference to the free, prior and informed consent of Indigenous nations to the types of projects that you mention.

There may indeed be vast wealth stored in Indigenous lands, and Indigenous people may indeed wish to exploit that, but those decisions must be made with them, by them and not over their heads. That is our clear position.

What we are concerned about, having looked at the bill, is that now — to highlight your question about the differences between before and after — getting to a possible yes is a process that happens during the environmental assessment because that is

when we understand what the real impacts and benefits are to Indigenous nations. The environmental assessment is an essential element of the consultation process. This bill includes it. Environmental assessment still happens, but the outcome is preordained. There will always be a yes in any event of the environmental assessment, and that cannot be true consultation. Because if the answer is given before the debate occurs, then the debate has meant nothing; the consultation exercise has meant nothing.

So we say the bill should be revised such that Indigenous nations always have a say in both the whether and the how.

Senator Klyne: This gets back to Senator Wilson's questions and to some of your opening remarks, but Part 2 of Bill C-5 would allow cabinet to exempt a national interest project from the application of Canada's environmental laws. To name a few examples, Schedule 2 of the bill contemplates cabinet making regulations to exempt projects from the Fisheries Act, the Migratory Birds Convention Act, the Canadian Environmental Protection Act and the Species at Risk Act.

• (1730)

Canadians may have concerns about what such exemptions could mean for, for example, fish habitat, migratory birds, toxic pollution entering the environment and communities or protections for endangered species. Are you concerned that such exemptions could harm the environment, wildlife and people? What advice would you offer to the senators in this chamber?

Mr. Olszynski: Yes, I'm concerned. This is the tricky part about this bill, of course. The government will say, "We're not going to use it that way," but the power is there and it will be sought. Someone will want it because their project will be cheaper if they don't have to worry about fish habitat or migratory birds or toxic substances. It will be the case that proponents will seek to have this power exercised.

The question is this: If the government doesn't want to use it, then why would it give it to itself? In a sense that's perhaps harmless because you'd say, "Well, the government will say no," but it will require bureaucracy. It will require this new office that will be created to implement this bill. It will require a small army of bureaucrats to deal with all the requests to change or waive the standards that currently apply to projects.

As Mr. Ginsberg expressed with respect to the community that he represents, close that gap. Close that ability. Just get on with it. We have standards that are not particularly onerous anyway, frankly. Just keep the standards as they are, require the government and proponents to meet them and then move forward. Just move on and get it done, instead of constantly relitigating this or that law and whether it should or shouldn't apply.

The Chair: Thank you.

Senator Simons: Professor Olszynski, I'm very glad you're able to join us from Calgary today. I want to come back to your opening comments about clause 7 and the way you feel it could constrain judicial review. I know you touched on that briefly in your answer to Senator Coyle, but I wondered if you could be a little more explicit about how you think clause 7 ties the hands of the court and whether you think that's a worst-case scenario or a probable interpretation.

Mr. Olszynski: Thank you, senator, for that question. I wondered about how much I wanted to emphasize this, but I guess you've forced my hand.

I will say very clearly that once a clause 7 authorization is issued, it would appear to me to be immune from any kind of legal challenge that could be mounted on normal environmental grounds.

Again, it's this idea that environmental laws are inward and outward facing. They bind the government — again, these aren't hard constraints, but consider this and apply the precautionary principle; adhere to the principle of scientific integrity. Let's just say that one of these authorizations comes out and it's clear that none of those requirements are met. You would try to file a judicial review with the courts, and the courts would say it doesn't matter because Parliament has already deemed that the requirements have been met.

In a sense this is the separation of powers now operating, but in a really perverse way in that the legislature — this place — will have precluded the courts from ascertaining the facts, which are replaced with these legal fictions. That is as best as I can tell.

That might sound alarming. We see a lot of examples to the south of us with respect to the important role of the courts in supervising the executive when it's doing things. Yet other than with the important exception of section 35, Aboriginal rights, and litigation that can be brought — an allegation, for instance, of insufficient consultation or accommodation — it is my reading that without any kind of privative clause — in the past, we had limited judicial intervention. We said you can only review on a question of law or you have to apply reasonableness or patent unreasonableness. Without engaging any of that language, the machinery of clause 7, to my understanding — and I'm quite confident about this — essentially precludes challenging projects other than on constitutional grounds.

The Chair: Thank you.

Senator Pate: Thank you to all of you for being here. My question is first for you, professor, but I'd love for all of you to weigh in.

You and many others have described Bill C-5 as tantamount to a power grab. It would give cabinet the power to ignore laws that are meant to apply to all of us to protect the health and well-being of Canadians, safeguard the environment and fulfill Canada's obligations to Indigenous peoples — First Nations, Inuit and Métis. It would, in effect, put cabinet and the massive resource projects this bill aims to advance above the law.

I'm not aware of any other laws — you mentioned Bill 5 in Ontario — that give cabinet the power to pass regulations exempting projects from environmental or other laws and safeguards. Are you?

Mr. Olszynski: I'm glad you asked that question. There's Bill 5 in Ontario. Bill 15 in British Columbia does something like this, but it's much more detailed. It has three or four provisions. I have a copy of it and would be happy to follow up and provide you with the language in that bill. I did refer to it but have to emphasize this: In my home province of Alberta, Premier Danielle Smith did seek an incredibly broad "Henry VIII" power, and she backed down from it in the face of public opposition. It was constrained to passing regulations that, yes, can amend other regulations, but without access to the statute book and the laws that it is your job in this place and in the other place to pass.

And Premier Eby, in an earlier bill — a tariff response bill, in a sense — invoked that emergency power, saying, "I need these powers." They were summarily sought. The Conservative opposition and other groups there were very critical, and Premier Eby also backed down and constrained those provisions.

There's a clear precedent for not going this far. Currently, it is just this bill and Bill 5 in Ontario.

Mr. Ginsberg: Maybe I'll add very briefly that there's an important difference between that and an exception to a rule that's contained in a statute — so environmental lawyers often say, "Here's the rule and here are the exceptions." That's normal. We might debate whether those exceptions are appropriate, but in any event, that's common. And then there is the "Henry VIII" mechanism, which says that it's cabinet — the executive — that decides when laws apply. Normally, that's Parliament's job, not the executive's job, especially when it is so broad as to say not just a provision of a law but an act does not apply or can be changed wholesale. The power here is actually to amend laws, not simply apply them, at will. That is what is so concerning and unprecedented about this bill.

Senator Moodie: My question is for Mr. Southey. I want to talk a bit about environmental mitigation, if you will.

The Prime Minister seems to support carbon capture technology and sees it as part of a climate mitigation approach that would potentially be paired with resource development. Do you support this view? And perhaps you could comment on how you might view nation-building projects that attempt to use this technology as their mitigation.

Mr. Southey: Thank you, senator. As a biodiversity and nature NGO, we recognize the incredible consequences that climate change will have on our wildlife. We seek to help mitigate and alleviate climate risks and challenges as much as possible.

As my colleagues have mentioned, good process brings good results. As we look to these technologies, we just need to ensure that they are honestly living up to expectations — that they are tested, validated and effective in their aspirations. We believe carbon capture is essential in an environment of climate change. We believe much of that can be natural — that is to say, in nature — through reforestation and keeping our pristine forests robust and healthy, but it may also mean we need to look to technological solutions that could be an integral part of our development paradigm.

• (1740)

Mr. Hatt: Senator, I would just like to add that there is no reason why carbon capture technology — especially if it's employed on a large scale — should not be subject to the same assessment and informational proof that we would expect of other technologies, and be subject to meaningful constitutional consultation with Indigenous stakeholders and the free, prior and informed consent of those Indigenous nations.

The final thing I would like to say is that, substantively, it can only ever be a minority of the solution space in the climate change problem because the problem is driven by the use of fossil fuels and their combustion. We cannot escape that central fact.

Senator Petten: Thank you to all the witnesses for being here today. My question is for Professor Olszynski.

The legislation states that one of its goals is to contribute to clean growth and meet Canada's objectives with respect to climate change. It goes on to say that the approved document will be issued once both the Canadian Nuclear Safety Commission and the Canada Energy Regulator are satisfied that issuing the document will not compromise the health or safety of persons.

As you may know, this chamber recently passed Bill C-49, which amended the Canada-Newfoundland and Labrador Accord Act and the Canada-Nova Scotia Accord Act to allow for offshore renewable energy projects. I'm a senator from Newfoundland and Labrador, and I'm curious what positive impacts you see Bill C-5 having on the Atlantic provinces' clean energy projects, including Newfoundland and Labrador.

Mr. Olszynski: I'll just reiterate what I said. I support the idea of the bill. I recognize the idea that things are very weird, frankly, down south and that we need to shore up our sovereignty and economic security — and all of that work. It's interesting that, as problematic as certain parts of this bill are, you don't need massive amendments to make it more consistent in terms of both democratic and environmental norms.

Speaking to the potential you described, it may be the case that, as currently written, this bill wouldn't be bad for that development. But I also think that a tighter bill, strengthened by ensuring that those basic environmental laws and conditions are respected, would also work. In fact, great work was done in regional assessments recently in offshore wind power. I understand that there's a lot of enthusiasm. Absolutely, the basic idea of the bill can do it. My comments and suggestions here are that we can make this bill better, and it would still achieve great things for those kinds of projects.

Senator Cardozo: We had a good discussion about clauses 21, 22 and 23 — the “Henry VIII” clauses. In some ways, they're “notwithstanding” clauses. They say that the government can go ahead and do this notwithstanding this list of acts that are listed in schedule 2. Is there a way to constrain the use of that, other than dropping it, as you suggest? I'm thinking either a sunset clause or perhaps a requirement that the invocation of that section be placed before Parliament for information purposes.

We haven't talked about the process here, but time is running out. The House is rising at the end of this week. We will be voting on this next week. If we could have the House make these amendments this week, it would be much easier to make this happen. Do you have any suggestions about how we could constrain these clauses?

Mr. Olszynski: We could simply remove the reference to enactments in clause 22. So the power could be there to amend regulations, flesh out the act itself or amend regulations even under other statutes. That's fine.

If you think about it, this chamber and the other place are the primary bodies for law making, and the executive makes subordinate legislation. Regulations are subordinate legislation. I have no problem with subordinate legislation amending subordinate legislation. It becomes weird when subordinate legislation can amend primary laws that you folks have debated and passed. You could simply remove the references to enactments, and then it becomes a power to amend regulations, and that's essentially fine.

It's interesting, although I haven't heard that other version. Yes, the other version would be to seek consent, essentially, from this place and the other place when you want to change a law. Again, it brings you and this process back and it brings transparency to this system, which is so important for accountability. So I think there are ways to do it.

Senator Cardozo: Where are the words enacted? Is that in clause 21?

Mr. Olszynski: It's in clause 22, actually.

Senator Cardozo: So how would it read? Instead of, “The Governor in Council may, on the recommendation of the minister responsible . . .”

Mr. Olszynski: Yes, “The Governor in Council may, on the recommendation . . . make regulations . . .” and here it says, “. . . exempting one or more national interest projects from the application of any provision of that enactment . . .” I would remove “. . . of any provision of that enactment . . .” and simply say, “. . . from the application of any provision of regulations made under an enactment.”

Senator Cardozo: So then we wouldn't be touching the acts as listed in the first list in part 1 of schedule 2; we would just be touching the regulations in part 2 of schedule 2?

Mr. Olszynski: Yes, that's correct.

Senator Cardozo: That is a significant change.

Mr. Olszynski: It's just four words.

Senator Cardozo: What about a sunset clause?

Mr. Olszynski: The act does have a sunset clause.

Senator Cardozo: It just has a review clause.

Mr. Olszynski: The power to list projects expires after five years, and then there is a review clause in clause 24. There has been some discussion about that because five years seems like a very long time. Three years might be better.

Senator Cardozo: What kinds of projects would you suggest that would be sustainable and yet economically beneficial?

Mr. Olszynski: I don't know if my colleagues want to jump in, but there is obviously a lot of excitement around east-west transmission lines. I think that is critically important. Those are outside my wheelhouse, but they are something we should be driving for, especially when you look at the fact that most of our electricity trading is actually north-south. That doesn't make sense; we should have a national grid. I like trains. We're in a train station, so some high-speed rail would be great. I don't know if my colleagues have anything to add.

Mr. Ginsberg: Without naming a specific project, as the minister said, proponents have to come forward with them. In terms of what's appropriate for this legislation, I would go back to my comment about the criteria, which is that they have to be not only economic accelerators but also accelerators of our environmental ambitions and goals, because those two things go together and cannot be decoupled.

The Chair: Honourable senators, the committee has been hearing from the witnesses for 75 minutes, and I regret to have to interrupt proceedings.

On behalf of all senators, thank you for joining us today to assist us with our work on this bill.

Hon. Senators: Hear, hear!

The Chair: Honourable senators, is it agreed that I report that the committee has completed its business for today?

Hon. Senators: Agreed.

• (1750)

[Translation]

The Hon. the Speaker: Honourable senators, the sitting of the Senate is resumed.

REPORT OF THE COMMITTEE OF THE WHOLE

Hon. René Cormier: Honourable senators, the Committee of the Whole, authorized by the Senate to examine the subject matter of Bill C-5, An Act to enact the Free Trade and Labour Mobility in Canada Act and the Building Canada Act, reports that it has completed its business for today.

THE SENATE

TRIBUTES TO PAGES

The Hon. the Speaker: Honourable senators, some pages will be leaving us this year.

I would like to inform you that Rebekah Jayalath will be leaving us. It's too bad she isn't here with us today.

[English]

Rebekah will be graduating with a Bachelor of Science in Biological Sciences with a concentration in conservation and diversity next year. She hopes to continue her studies back in her home province of Alberta in order to work as a pediatric psychiatrist in the future. She is honoured to have served as a page in the Senate for this past year and is truly grateful for all she has learned during social events, sittings and committee meetings. Most importantly, she is thankful to have met so many amazing colleagues and friends through this spontaneous yet fulfilling experience.

Allan Buri. Allan had the honour of learning about the Senate's work over the past year. Allan will be departing the Page Program to complete a year of co-operative education work terms before his final year, specializing in social policy at Carleton University. He looks forward to future opportunities to expand his knowledge and would like to especially thank his amazing fellow pages, the Usher of the Black Rod's office and his family and friends for all the memories and support.

[Translation]

Sola Dupain, who is from Victoria, British Columbia, will be starting her final year of study in political science at the University of Ottawa. Sola was honoured to represent the French-Canadian and Japanese communities within the Senate Page Program and is eager to find out what the future holds. She hopes to remain at the Senate while completing her last year of undergraduate studies. Sola is incredibly grateful for the opportunity to participate in this program and would like to thank her family, the Office of the Usher of the Black Rod and all of her colleagues, who made her past two years as a page so memorable.

[English]

SENATORS' STATEMENTS

RANGER MASTER CORPORAL RICHARD NEWELL, CD

Hon. Pat Duncan: Honourable senators, as Canadians turn their attention to Canada's North and defence of our territory, the Rangers are in our line of sight. Yukon Rangers have a 100-year history in the territory. They are a diverse population, inclusive and welcoming. The Whitehorse Ranger group has a waiting list to join.

Our home in the North is more than the coast that one usually envisions of the Northwest Territories and Nunavut and the boundary between the U.S. and Canada in the Beaufort Sea and the Yukon. There is also a nearly 2,500-kilometre land boundary between Alaska and the Yukon that, in the words of Robert Service, is "unpeopled and still," for the most part, if one doesn't think about weather balloons.

The Rangers regularly patrol this land boundary, sometimes with the RCMP. Yukoners are grateful for our Rangers. I was proud to recognize the service of some of our Rangers, presenting the King Charles III's Coronation Medals to eight of them over the last few months throughout the Yukon.

Honourable senators, these Rangers and many Yukoners gathered recently to honour one of their own. On June 13, which also happens to be the one hundred and twenty-seventh birthday of the Yukon, Lieutenant-Colonel T.A. Hanes, Commanding Officer of the 1st Canadian Ranger Patrol Group, based at the Joint Task Force North, or JTFN, in Yellowknife and Lieutenant-General Michael Wright, Commander of the Canadian Army, joined Yukoners at the Whitehorse Cadet Training Centre, Camp Boyle, to honour Ranger Master Corporal Richard Newell.

Born February 24, 1940, in Oshawa, Ontario, Richard Newell enrolled in the Canadian Armed Forces, or CAF, on September 13, 1957, in Toronto as an administrative clerk. In 1963, while posted to 1 S.S.M. Battery, he deployed to Germany. With Canada's Armed Forces, Richard Newell worked in a number of capacities from nuclear-capable units to supporting NATO operations; he has travelled throughout the country.

In 1987, he joined the Carcross Yukon Ranger Patrol and has over 20 documented Ranger exercises, awarding him the Special Service Medal given to CAF members for "taking part in activities and operations under exceptional circumstances."

On this occasion, Ranger Richard Newell received the Canadian Forces' Decoration, or CD, awarded for 12 years of service. A clasp is awarded for every additional 10 years of good conduct. Until this ceremony, only four individuals had received their fifth clasp denoting 62 years of service. The others? The Queen Mother; His Late Royal Highness Prince Philip, Duke of Edinburgh; Her Royal Highness Princess Alexandra of Kent; and the late Air Commodore Leonard Joseph Birchall. Richard Newell made history as the fifth honoured, second still living and only recipient continuing to serve.

It was truly an honour to join Rangers from throughout the Yukon and Atlin, British Columbia, distinguished guests of the Canadian Forces and Richard Newell's family to witness the presentation of this award.

To Master Corporal Newell and to the Rangers in the Yukon and throughout Canada, thank you for your service. *Shāw nithān, mahsi'cho, gūnāichish.*

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Nigar Nazar, the first woman cartoonist of Pakistan and of the Muslim world, as well as Muhammad Saleem, High Commissioner for Pakistan. They are the guests of the Honourable Senator Ataullahjan.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

Hon. Senators: Hear, hear!

NIGAR NAZAR

Hon. Salma Ataullahjan: Honourable senators, some artists paint beauty, others paint truth, but once in a while, one picks up a pen and draws a way forward. Nigar Nazar is one of them. She is the first female cartoonist in Pakistan and first female cartoonist in the Muslim world. A quiet force who redrew the map with lines of hope, empathy and imagination.

She started medical school but found her calling not in stethoscopes, but in sketchbooks. In a country where comic illustration wasn't formally taught, she taught herself. To many, she is simply known as the creator of Gogi.

I remember being a young woman, flipping through the morning paper and spotting Gogi — clever, bold, always ours. There she was saying what so many of us were thinking, but couldn't say yet. She wasn't just a comic strip. She was a voice, a mirror, a quiet kind of revolution. Nigar used her to talk about things that weren't easy: girls' education, health and inequality. Her comics appeared in newspapers and on buses, hospital walls, school gates — even in refugee camps. Whenever people needed a reason to think or to hope, Gogi was there.

• (1800)

When schools were shut down during COVID-19, Nigar didn't wait for learning to return. She brought it to the children. She packed Gogi books onto a camel and travelled to a village in the desert. She named the camel Roshan, "the illuminated." As she put it, she wanted to light a candle against the darkness of illiteracy. Where buses couldn't go, Roshan brought stories and gave children a way to keep learning.

This is just one example. Her outreach programs have shared more than 34,000 books. There is a story of a girl whose parents decided she wasn't going to school anymore. She read the comic strip to her parents about the importance of education, and her father decided she should continue going to school.

But her true legacy lives not just in print. It lives in every child she has reached, every boundary she blurred and every smile she drew.

Honourable senators, today we honour more than an artist. We honour a torchbearer, a trailblazer. She's not just celebrated at home. She shared her vision across borders, from classrooms in Islamabad to cartoon congresses in Turkey and Nepal. As one student said, "Gogi is the symbol of womanhood in Pakistan."

Nigar is a Fulbright Scholar, she has the highest civilian award and is one of BBC's 100 inspiring women. She reminds us that, sometimes, the most powerful revolutions begin with quiet determination and commitment. Thank you.

Hon. Senators: Hear, hear.

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, I received a notice from the Facilitator of the Independent Senators Group who requests, pursuant to rule 4-3(1), that the time provided for the consideration of Senators' Statements be extended today for the purpose of paying tribute to the Honourable Marie-Françoise Mégie.

I remind senators that pursuant to our Rules, each senator will be allowed only three minutes and they may speak only once.

These times do not include the time allotted to the response of the senator.

[Translation]

TRIBUTES

THE HONOURABLE MARIE-FRANÇOISE MÉGIE

Hon. Marc Gold (Government Representative in the Senate): Honourable senators, I rise today on behalf of the Office of the Government Representative to pay tribute to our colleague, the Honourable Marie-Françoise Mégie.

Senator Mégie, I had the privilege of being appointed to the Senate on the same day as you and Senator Saint-Germain. I will certainly never forget that day, as I'm sure you won't either.

You joined the Senate after decades of service as a family physician and university professor, so it's not surprising that during your time in the Senate, you were always a staunch advocate for Canadians' health.

Whether it was your sponsorship of Bill C-237 establishing a national diabetes framework, which played a crucial role in improving access to diabetes prevention and treatment to ensure better health outcomes for Canadians, or your efforts to raise awareness and establish a national framework for sickle cell disease, your work here in the Senate will continue to have an impact on the lives of countless Canadians.

[Senator Ataullahjan]

Senator Mégie, although you sat on many committees and contributed to a number of important reports, I would be remiss if I didn't mention your important work as a member of the Special Joint Committee on Medical Assistance in Dying. As vice-chair of the committee for two Parliaments, your work was essential to establishing recommendations concerning medical assistance in dying, particularly issues related to advance directives, mental illness, the state of palliative care in Canada and the protection of Canadians with disabilities.

Your contributions to this House and to Canada in general are undeniable. You have been a role model and an inspiration to many Canadians, particularly within the Haitian community. I have no doubt that you will continue this important work after you retire from the Senate.

Once again, Marie-Françoise, on behalf of the Office of the Government Representative, I wish you a well-deserved retirement, filled with precious moments with your family, friends and loved ones.

Hon. Senators: Hear, hear!

Hon. Raymonde Saint-Germain: Colleagues, I am deeply moved to rise in tribute to our highly esteemed colleague, Senator Marie-Françoise Mégie.

Senator Gold, Senator Mégie and I were sworn in as senators on the same day, and I want to take this opportunity to tell her what a privilege it has been to spend these years by her side.

Everyone who knows her knows that Senator Mégie is a person of remarkable goodness and empathy. These traits are combined with a keen intellect and uncommon humility, making her a deeply compassionate person. Many times, she has personally touched the lives of more than one person here.

Very often during her career in the Senate, she has chosen to shine the spotlight on others. This may have sometimes obscured the scope of her own accomplishments as a legislator, and colleagues, let me tell you, there are many. The best way I can describe Senator Mégie is to say that she is a woman who does not necessarily seek attention or take centre stage, but in the corridors, behind the curtain, she is amazing at getting things done.

Throughout her career, whether as a family physician, a university professor or a senator, she has chosen to serve others, to serve the common good, which is her one true vocation.

Through her tireless work, particularly on medical assistance in dying and diabetes prevention, and her efforts to raise awareness of sickle cell disease — she taught me to pronounce the French name correctly, which I must say is easier for a francophone — she has always been at the forefront of defending the most vulnerable members of our society.

I'm thinking particularly of seniors, people with disabilities and those at the end of their lives. In Senator Mégie, they have had an invaluable ally inside and outside this chamber. During her more than eight and a half years as a senator, she always used her experience and extensive medical knowledge to serve Canadians.

Senator Mégie is also a proud representative of her community. Having immigrated to Quebec from Haiti in 1976, she has always maintained close ties with her country of origin while becoming a role model for her compatriots, including those in Quebec's large Haitian diaspora. She is a national role model as well, since she was the first Black woman to represent Quebec in the Senate.

Honourable Senator Mégie, dear Marie-Françoise, you can be proud of the legacy you leave behind, which we will continue to build upon. On behalf of myself and all your colleagues and friends in the Independent Senators Group, I wish you and your loved ones all the best. Please know that your presence, your wisdom and your invaluable medical advice will be greatly missed.

Thank you. *Meegwetch*.

Hon. Senators: Hear, hear!

Hon. Leo Housakos (Leader of the Opposition): Honourable senators, today we pay tribute to our dear colleague, Senator Marie-Françoise Mégie, a respected voice in this chamber, a woman of science and compassion and a parliamentarian deeply committed to improving the lives of Canadians.

Originally from Haiti, she came to Quebec in the 1970s and went on to marry her two callings, medicine and public service, brilliantly. Her work in the Senate was characterized by unwavering dedication to health equity and vulnerable communities.

She played an active role on the Standing Senate Committee on Social Affairs, Science and Technology, where she provided a calm but determined presence and a voice deeply in touch with human beings' realities. She combined professional competence with social sensitivity.

• (1810)

Among her legislative contributions, she sponsored Bill C-237 in the Senate, a bill that sought to develop a national framework on diabetes. This bill reflects both her unwavering desire to help others and her commitment to promoting access to health care nationwide.

As an active member of the Standing Senate Committee on Official Languages, Senator Mégie staunchly defended the language rights of francophone minority communities, while emphasizing the importance of bilingualism in public services, especially health care.

Her experience as a francophone immigrant allowed her to contribute a unique and invaluable perspective to the committee's work, including the study of the modernization of the Official Languages Act.

One of Senator Mégie's final parliamentary acts in this chamber was to see Bill S-201, An Act respecting a national framework on sickle cell disease, pass second reading. This bill is a perfect demonstration of her unswerving commitment to communities that are often overlooked by the health care system and her dedication to advancing equity issues right up to the very last day of her term.

Senator Mégie, after all these years spent caring, teaching and legislating, you richly deserve our gratitude for your devotion to public service.

In leaving this chamber, you leave behind a legacy of compassion, rigour and the pursuit of the common good.

On behalf of our opposition group, I wish you all the best in the next chapter of your life.

Congratulations, senator.

[English]

Hon. Flordeliz (Gigi) Osler: Honourable senators, I'm honoured, on behalf of the Canadian Senators Group, or CSG, to rise to say farewell to a colleague and trailblazer, the Honourable Senator Marie-Françoise Mégie.

[Translation]

As the first Black female doctor and first female doctor of Haitian origin to be appointed to the Senate, Senator Mégie paved the way for many others. We are all the better for her expertise, her compassion and her dedication.

[English]

Throughout her career — first as a physician, then as a professor and ultimately as a legislator — Senator Mégie used her scientific knowledge as well as her compassion, rigour and deep commitment to the public good. She became a trusted voice on some of the most complex and sensitive issues we face as legislators: vaccine hesitancy, medical assistance in dying, public health, elder care, systemic racism and health equity.

She did not seek the spotlight but allowed her work to illuminate our chamber, always thoughtful, always measured and always guided by the realities of patients and people on the ground.

[Translation]

Every time you spoke in this chamber or in committee, your words were rooted in experience, social justice and empathy.

As an active member of the Parliamentary Black Caucus, you played a leading role in efforts to fight systemic racism in Canada by calling for concrete, long-term measures.

[English]

Senator Mégie's legacy is also found in the Black physician community, which sees her as a reflection of infinite possibilities. Dr. Modupe Tunde-Byass, from Black Physicians of Canada, has this message for Senator Mégie:

Congratulations on your retirement. You have made an impact on the lives of many of us and on the shoulders of giants like you, we have stood. It is my hope that "First Black, first female, first this or that" will become a thing of the past and a gateway for better representation.

Dr. Bolu Ogunyemi, who will become the Canadian Medical Association's first ever Black president, sends this message:

As I prepared to step into my role with the Canadian Medical Association, I acknowledge my indebtedness to those who came before me and paved the way as leaders in the black Canadian community, including Senator Mégie. She is a trailblazer that has lit the path for many after her.

[Translation]

My dear colleague, you are making a graceful exit, but you are leaving an indelible mark upon us.

[English]

Senator Mégie, along with all of my Canadian Senators Group colleagues, we thank you for your wisdom, your calm strength and your extraordinary service to the people of Canada.

[Translation]

I wish you a happy retirement, and I thank you from the bottom of my heart.

Hon. Amina Gerba: Honourable senators, I rise today, with a great deal of emotion, on behalf of the Progressive Senate Group to pay tribute to an outstanding colleague, Senator Marie-Françoise Mégie, who is leaving us after almost nine years of service.

As Canada's first senator of Haitian origin, she had already accomplished a lot before joining the Senate of Canada. She spent 35 years transforming home care and geriatric care in Quebec and advocating for a dignified end of life.

Into this chamber, Marie-Françoise, you have brought compassion, wisdom and a quiet strength that inspires us all.

She shepherded Bill S-209 through the Senate. This bill designated March 11 as Pandemic Observance Day in memory of COVID-19 victims.

From her, we inherit Bill S-201 on sickle cell disease, which represents a major step forward for thousands of Canadians of African descent.

Every Black History Month, Senator Mégie has taught us about prominent Black community figures in the fields of literature, the arts, science and sports.

In addition to being a senator, she is also a caring mom. After receiving the call about her appointment, she asked her daughters, Sarah and Aïda, "Will it be a problem for you if I'm not around as much for the grandchildren?" They answered, "Of course not, mom, go for it. You deserve this, and we're proud of you."

Yes, you have served your country with dignity and grace.

On parliamentary missions and sometimes on the train, I discovered that Marie-Françoise is a digital novice. I will miss laughing with her over technological challenges. We had better watch out, since she plans to take computer classes to learn how

to use social media. She is also going to reconnect with two of her passions, decorating and dancing, so don't be surprised if you see Marie-Françoise on TikTok soon.

Dear Marie-Françoise, my colleagues in the Progressive Senate Group and I all wish you an excellent retirement.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Sarah and Aïda Dorsainville, Senator Mégie's daughters. They are accompanied by their husbands, as well as the senator's grandchildren Rafaël and Imani, her brothers Yves and Marcel Pierre-Louis, and other members of her family.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

Hon. Senators: Hear, hear!

• (1820)

THE HONOURABLE MARIE-FRANÇOISE MÉGIE

EXPRESSION OF THANKS

Hon. Marie-Françoise Mégie: Thank you, Your Honour. I would like to begin by thanking Senators Gold, Gerba, Osler, Saint-Germain and Senator Housakos for their kind words. Thank you very much. I was not expecting this, and I didn't realize that was how you felt about me.

From November 25, 2016, to September 21, 2025: Eight years and 10 months will have passed since I was appointed to the Senate. What a privilege it has been to serve the Canadian people in this noble institution, the Senate of Canada.

I can say without hesitation that this is the crowning achievement of my career. It was made possible thanks to the support of many people whom I would like to acknowledge.

I will start with Rony Sanon, who strongly encouraged me to apply to the Senate by sending me the link posted on the internet.

I want to thank my two daughters, who supported me when I shared my ambivalent feelings with them before applying. "It's a great way to cap off your career," they told me. "We support you, whatever you decide."

By following my posts on social media, some family members here and abroad have become even more interested in politics. The same is true for some community members and friends in Quebec.

I received comments such as — and I'm paraphrasing:

Seeing what you do in the Senate gives me a better understanding of what's going on and makes me feel better about the Senate as an institution.

What can I say about team Mégie? It has a reputation of its own in the Senate of Canada. What would I do without you? My team is made up of my issues director, Rémi Hyppia, at times my éminence grise, at times my bodyguard; my parliamentary affairs director, Nicolas R. Thibodeau, whose diligence and efficiency are the envy of certain colleagues; and Marie Roxane Dimanche, who skilfully keeps my office and my budget in perfect order, even when the Unit4 system is acting up. The newest member of the group, Dichemael Jean-Baptiste, manages my important legislative files as though she has been doing it for years, all while writing the Quebec Bar exams.

I also want to mention the people who have worked with me over the years. Kathleen Ippersiel established a solid administrative foundation for my office before her well-deserved retirement. Fotini-Hellas Diamandis, my parliamentary adviser, was sensitive, professional and efficient, all of which I greatly appreciated. Lastly, my parliamentary assistant during my first year in the Senate, Dimitri St-Julien, was in his first job as a young lawyer.

In addition to my legislative work, team Mégie also managed other activities, the most important of which were the annual Black History Month exhibits in the Senate foyer. Thank you for everything.

I also want to thank my English teacher, Tim Healey. He helped me become more comfortable in our other official language. I was able to learn how to speak to an anglophone without getting tired.

I wouldn't want to forget all the people in our parliamentary community: the clerks, the pages, the analysts, the members of the Parliamentary Protective Service, the cafeteria staff and the cleaning staff, the messengers, the shuttle drivers and my invaluable interpreters. Thank you to all those whose work and services contribute to our daily operations. I experienced those daily operations in a pleasant and friendly work environment. It was like being part of a big family.

I want to express my sincerest gratitude to all those I had the chance to work with and those I developed friendships with over these years in this august chamber. Thank you. You enriched my journey with your skills, your dedication and your kindness. If there are some of you I didn't have the opportunity to develop a friendship with, the language barrier probably had something to do with it.

[English]

Please know that every simple effort made to share just a few words in French with me made my day.

[Translation]

Every day, I feel very proud to have been able to play an integral part in an essential movement, namely the modernization of the Senate.

My appointment as a senator is a living example of one of the first meaningful steps taken in this movement. The past eight years have been full of lessons, challenges and satisfying moments. Participating in this transformation and seeing our working methods, tools and approach evolve has been one of the most gratifying experiences of my career as a senator. In this way, we can serve Canadians better.

Another tangible and, I hope, irreversible example of the Senate's modernization is the fact that, for the first time in Parliament, we have achieved gender parity among senators.

When I arrived in 2016, a third of the seats were occupied by women. Today, it is just over half, as 54% of the members of the Senate are women.

There has also been a gradual increase in the number of people from minority groups, including Indigenous people, Black and racialized people and members of 2SLGBTQI+ communities.

The variety of skills represented around the committee tables is extraordinary. That is what makes the current Senate so rich.

To sum up, thanks to the open Senate nomination process introduced in 2015, in less than 10 years, we have moved from a two-party Senate to a gender-balanced, representative, diverse, inclusive and less partisan Senate.

I have high hopes that the new Prime Minister will continue with the non-partisan appointment process to keep this place from becoming an echo chamber of the other place again.

My time in the Senate has not been uneventful. It has been filled with twists and turns, each more intense than the last. We have gone through three elections and two prorogations. We got through a pandemic and a review of the medical assistance in dying law. We were deeply affected by the Black Lives Matter movement, and we recently got to see the Speech from the Throne delivered by His Majesty King Charles III, King of Canada.

Honourable senators, during my time here, I have had the privilege of sitting on many committees, including the Standing Senate Committee on Official Languages, the Standing Senate Committee on Rules, Procedures and the Rights of Parliament and the Standing Senate Committee on Social Affairs, Science and Technology.

In my early days, I also sat on the Standing Senate Committee on Aboriginal Peoples and later on the Standing Joint Committee for the Scrutiny of Regulations and the Standing Senate Committee on Human Rights.

I also served as vice-chair of the Special Joint Committee on Medical Assistance in Dying. My experience in palliative care and home care contributed to the thought process and debate. In addition to committees, I was a member of certain parliamentary groups.

I would like to highlight a few of the groups that stand out for me, namely the Independent Senators Group, the African Canadian Senate Group, the Parliamentary Black Caucus, the Canadian Congress of Black Parliamentarians, the Senate health care group, and finally, the Senate working group on immigration.

Issues such as social inequality, discrimination and systemic racism were part of our discussions. After the murder of George Floyd, we issued the Statement by the Parliamentary Black Caucus, which was aimed at minimizing the consequences of systemic racism in Canada. The African Canadian Senate Group has just drawn up an action plan for Canada's Black Justice Strategy. My colleagues in the group will continue to work on this.

• (1830)

Some of our regular legislative work will never be forgotten.

The first one that comes to mind is the national framework for diabetes, Bill C-237, tabled by MP Sonia Sidhu during the Forty-third Parliament. I sponsored this bill in the Senate in June 2021, and it was adopted within a month.

Second, I introduced Bill S-209 concerning Pandemic Observance Day on November 24, 2021, during the Forty-fourth Parliament. It received Royal Assent on April 30, 2024.

Finally, I tabled Bill S-201 concerning the national framework on sickle cell disease during the current Parliament. It just passed second reading and was sent to committee for study. I'm proud of the road that this bill has travelled.

I sincerely thank my colleagues, Senators Ravalia, Gerba and Ataullahjan, for contributing to the cause of fighting sickle cell disease worldwide through their solidarity and their perceptive remarks. My bill still has a way to go before it becomes law. That is why I have passed the torch to my colleague, Senator Tony Ince. I can't thank him enough for agreeing to take on this bill.

Honourable senators, as you know, every workplace, no matter how ideal, has its share of irritants, some minor, others major. I want to talk to you about one particular irritant: the language issue. I will use four examples to illustrate my remarks.

During our meetings in the chamber or in committee, we are fortunate to have the services of highly competent interpreters and cutting-edge technology. The earpieces enable us to understand the debates in the language of our choice.

[English]

Did you know that some senators still don't use the earpieces provided when a speech is delivered in French?

[Translation]

Every now and then, some colleagues do not listen to speeches delivered in French. It's a good thing there aren't many colleagues like that. Sometimes, during a meeting, a speech made in French goes unnoticed, whereas, minutes later, the same speech made in English, by those without an earpiece, gets a positive response from the group, which suddenly seems to have understood.

I'd like to share a more personal example. One of my colleagues was sponsoring a bill and knew in advance that I was going to speak to it. He took the trouble to thank me for supporting his bill, then apologized for not listening to the speech and gave me his word that he would read the Hansard later. Even though he was honest, I, as a francophone, was frustrated.

My last example is about the study of committee reports. Francophone senators go over both versions, English and French, before and during committee meetings. Reviewing them in committee can be cumbersome and even arduous. It takes a long time because the French version is often longer, given the higher word count.

In September 2023, Senators Moncion, Petitclerc and I brought this issue to the then clerk assistant at the Committees Directorate, hoping to come up with a solution that would allow us to meet our legislative obligations. Today, these obligations still fall on the shoulders of bilingual francophones. From that time on, each paragraph of the reports under study have been numbered, to make it easier to compare the versions in each official language. While this is an improvement, I am counting on you to be vigilant and ensure that this system is permanently adopted by all Senate committees.

As for the review I just mentioned, far be it from me to criticize our highly skilled translators. We all know the Latin aphorism: "to translate is to betray." In the case of some technical and legal terms, a literal translation may fail to capture the essence of the language used. However, it should be as faithful as possible, even if that can be irksome at times.

Despite all this, I should point out that many of our colleagues make the effort to begin their speeches in French or to include at least a paragraph or two in French. To me, that's very positive. Our linguistic duality is one of our most precious national assets. It is vital that our institution fully reflects that reality and gives both official languages all the consideration they deserve. Senators' offices could also benefit from hiring a fully bilingual person.

Honourable senators, I leave this institution with a sense of accomplishment. I want to thank our Speaker, who has skillfully led the sessions of the upper chamber, as well as our new Speaker pro tempore.

I'll wrap up by respectfully expressing three wishes. Rest assured, I'm not trying to summon a genie from Aladdin's lamp. I'm counting on you, colleagues, to make my wishes come true with your great wisdom.

My first wish is for the movement to modernize the Senate, which has already begun, to get its momentum and fire back.

My second wish is for the rearrangement of the committee meeting schedule, as proposed by Senator Ringuette and the clerk of the Standing Committee on Rules, Procedure and the Rights of Parliament, to be reconsidered.

My third wish is for the equality of our two official languages to evolve from a theoretical principle into a living and respected practice.

I am taking with me the fondest memories of this wonderful adventure.

Thank you.

Hon. Senators: Hear, hear!

[English]

2025 FEDERAL ELECTION

Hon. Rodger Cuzner: Honourable senators, great delivery on your reflection of a wonderful career here.

The results of the forty-fifth federal election are now in the books, and there are two features that arise from it that provide me with a great deal of certainty.

First, like several of my colleagues, I have experienced a number of past elections from the other side as a candidate for a seat in the House of Commons, staying up late into the night with family, friends and supporters in hopes of embracing a positive result.

What I know with great certainty is this past election night was far more relaxing from my current parliamentary perspective, as I looked forward to hearing those three comforting words the day after the election: "Good morning, senator."

The second thing I'm certain of, colleagues, is that Canadians can be confident that our federal elections are run in a fair and honest manner, and this is because of the professional and non-partisan work of Elections Canada. I will share just two examples that reinforce my confidence.

First, there is the riding of Carleton, here in Ottawa, which was held for 20 years by the former leader of the official opposition, Pierre Poilievre, who was defeated by Bruce Fanjoy by 4,513 votes. To his credit, Mr. Poilievre conceded the election that night and eventually congratulated Mr. Fanjoy.

Predictably, the keyboard warriors flooded social media with conspiracy theories in order to sow doubt in the legitimacy of the outcome. I commend the Conservative Party of Canada for not taking the bait in pursuing a frivolous challenge.

The second example was in the riding of Terra Nova—The Peninsulas, where on election night, the Liberal candidate Anthony Germain was the announced winner by just 12 votes. After the validation count, an automatic judicial review was undertaken. I encourage all senators to speak with our colleague Senator Manning who was part of that process.

When I spoke to my friend about the review, his comments to me were, "I could not imagine a more open, fair and accountable process like the one that we went through."

In the end, the election night decision was overturned, and the Conservative candidate Jonathan Rowe was determined the winner, coincidentally by 12 votes. Mr. Germain spoke with Mr. Rowe, congratulated him and wished him the best of luck in his new post.

• (1840)

The judicial recount was a week-long exercise that summoned considerable human resources and financial costs, but in the end, the people of Terra Nova—The Peninsulas, and indeed all Canadians, can be assured the process was fair and accurate.

It is a massive undertaking by Elections Canada to mount an election, a snap election at that, which also saw the largest voter turnout in Canada since 1993. The logistics are staggering. Yet, due to the dedication of 240,000 Canadians who tirelessly worked to ensure the success of Election 2025, Canadians can take pride in the strength of our electoral process.

Colleagues, when we continue to watch what's happening to our friends south of the border, with a reported 34% of election workers receiving threats of physical violence and death and the incessant attacks on the institutions that provide foundations to a democracy, know that ours remains strong and true. It's not perfect, and we can never be smug or complacent, but, senators, we remain steadfast —

The Hon. the Speaker: Thank you so much.

Senator Cuzner: Thank you.

Some Hon. Senators: Hear, hear.

IRAN

Hon. Leo Housakos (Leader of the Opposition): Honourable senators, I rise today to speak in solidarity with the people of Iran, a nation whose rich culture and proud history have, for far too long, been eclipsed by the cruelty of its rulers.

I am old enough to remember when Iran was a place where men, women and children could walk the streets of Tehran in relative freedom, express themselves and hope for a future of progress and opportunity.

But for over four decades, under the iron grip of the Islamic Republic, Iran has become a country not governed by the consent of its people, but through repression, violence and fear. Time and again, Iranians, especially women and young people, have poured into the streets demanding change, demanding justice, demanding freedom. Their courage is as humbling as their

suffering is heartbreaking. They face arbitrary arrests, torture and even execution for the simple act of demanding the basic rights and freedoms that are their birthright.

This is a long way from the Iran most of us can remember, and it doesn't end there. We all know by now how the regime has long exported its terror and repression far beyond its borders. Take Beirut — once a symbol of freedom and vibrancy in the Middle East — today, a city poisoned by Iran's proxy forces and influence in the region.

From Hezbollah to Hamas, the Iranian regime funds, arms and supports groups that destabilize entire regions. It threatens global peace through its proxy wars and malign influence.

And we have seen the deadly consequences of this influence first-hand in the horrific October 7 attacks on Israel and the chaos that has ensued in their aftermath. In recent weeks, Israel has taken decisive action against elements of the Iranian regime that have long threatened not only its own people but peace and stability across the Middle East.

Let us be clear: The Iranian regime's support for terror, its nuclear ambitions and its brutal crackdown on its own citizens have made it a danger not just to its neighbours but to the world at large.

That is why, colleagues, as Canadians, as parliamentarians and as defenders of the democratic values we all cherish, we must recognize and thank Israel for its effort in neutralizing these threats.

We cannot have it both ways. We have seen our government urge restraint on both sides, as if there is a moral equivalence between Israel, a beacon of democracy and human rights in the Middle East, and the Iranian regime, which exports terror, violence and oppression. This is no equivalency. We must stand firmly with Israel in its right to defend itself and its fight against the forces of tyranny and oppression.

To the people of Iran, I want to say this: Canada sees you. We recognize your courage. We stand with your right to live in freedom and dignity. Your fight for justice and your longing for a future free from tyranny are not forgotten but are supported by Canada. Thank you, colleagues.

Some Hon. Senators: Hear, hear.

CAPE SPEAR NATIONAL HISTORIC SITE

Hon. Fabian Manning: Honourable senators, today I am pleased to present Chapter 90 of "Telling Our Story."

Some Hon. Senators: Hear, hear.

Senator Manning: Friends, I ask you to picture in your mind this scene. You may close your eyes if you wish.

It is a few minutes before the first sunrise appears in North America, and you are sitting on a grassy knoll, listening to the sounds from the waves of the vast Atlantic Ocean making a

dramatic landfall on the shoreline hundreds of feet below you. The experience will leave you breathless and wanting more and more of the place I am so proud to call home.

Just a few kilometres east of the beautiful and historic city of St. John's, you will find the Cape Spear Lighthouse National Historic Site, home of the oldest surviving lighthouse in Newfoundland and Labrador. The year 2025 marks the fiftieth anniversary of the designation and official opening of Cape Spear Lighthouse as a Parks Canada site.

In 1846, James Cantwell became the first member of the Cantwell family to serve as lighthouse keeper, a family tradition that would last for over 150 years, until 1997, when the light station became fully automated and de-staffed, with Gerry Cantwell being the last lighthouse keeper.

In 1962, the Historic Sites and Monuments Board of Canada recommended the historic lighthouse for designation as a national significant historic site, and in 1964, the federal government, through Parks Canada, acquired the site.

Webster himself would have difficulty to explain in mere words the magic of a visit to Cape Spear. Whether you go there to witness that first sunrise in North America, marvel at the 10,000-year-old icebergs floating by, experience the frolicking of migrating humpback whales, visit the historic lighthouse or just sit in silence as you gaze out over the Atlantic Ocean and breathe in the salty air, you will not be disappointed.

The Portuguese first named this location *Cabo da Esperança*, meaning "Cape of Hope," which became *Cap d'Espoir* under the French and finally Cape Spear.

If you are a hiker, you have to make the trek and experience Cape Spear where you will find a trailhead and a trail end of the beautiful East Coast Trail.

When you are overlooking the Atlantic Ocean from the hillside of Cape Spear, you are only 3,324 km from downtown Dublin, Ireland, but when you turn your back to the ocean and look westward, you are 4,805 km from downtown Winnipeg. So I will leave it to you to decide whether you are at the point where Canada ends or, as we love to say in Newfoundland, "This is the place where it all began."

With the federal government's announcement yesterday that admission will be free at the site this year, I am confident that 2025, the fiftieth anniversary, will be a banner year for Cape Spear, as it is one of our province's most iconic tourist attractions, with more than 300,000 visitors to the site annually.

While I cannot guarantee you a sunny day at Cape Spear, I am confident that a visit there will be well worth the trip. Thank you.

Some Hon. Senators: Hear, hear.

PRIDE MONTH

Hon. Mary Coyle: Honourable senators, I rise today to celebrate Pride Month and the Canadian values of respect for diversity, inclusion, acceptance and understanding.

I salute the Canadian Pride Caucus and our seven senator colleagues who are members of the 2SLGBTQI+ community. Thanks to Senators Cormier, Wilson, McBean and Wells for your interventions and for welcoming drag kings Cyril Cinder and HercuSleaze to our chamber.

Last year at this time, I made a Pride Month statement which I referred to as a love letter to my mom, Betty Patterson — now almost 98 — and my brother Patrick Patterson. Patrick is my Irish twin.

I mentioned that Mom was born 60 years after Confederation, into a Canada where homosexuality was hidden and forbidden by state and church. She was 42 in 1969, when homosexuality was decriminalized, and she was 77 in 2004, when the Supreme Court of Canada issued an opinion affirming the federal government had the authority to define marriage to include same-sex couples.

My brother Patrick was born in 1955 into a Canada where what he was, was illegal and to be out — to be himself — was frankly dangerous.

My Pride Month love letter to Mom and Patrick celebrated both of them for the courage, love and unequivocal acceptance that emerged as Patrick's truth about his homosexual identity was brought out from the darkness into the light.

Honourable colleagues, I'm sure that none of us would want our children, grandchildren, the kids next door or anyone to have to hide who they are. Just imagine the suffering that would cause.

As we celebrate Pride Month 2025, I'd like to draw our attention to transgender kids in Canada and to the 2SLGBTQI+ communities internationally.

In October 2023, in response to the so-called parental rights movement, the 1 Million March 4 Children, and the threats to the rights, safety and health of transgender kids at that time in New Brunswick, Saskatchewan and Alberta, a number of us spoke in the chamber on the importance of Canada developing its national Action Plan on Combatting Hate.

• (1850)

Colleagues, we can see the danger of what is happening south of our border, where the culture wars seep into politics and have resulted in the rolling back and trampling of rights.

Today, more than 70 countries worldwide criminalize consensual same-sex conduct. Six countries impose death penalties, and in a further six countries, death is a possible punishment.

Honourable colleagues, as we celebrate Pride Month with pride, let's maintain our efforts to ensure the rights of all 2SLGBTQI+ people are protected, no matter their age or where they live.

Wela'lioq, thank you.

ROUTINE PROCEEDINGS

TREASURY BOARD

2025-26 DEPARTMENTAL PLANS TABLED

Hon. Patti LaBoucane-Benson (Legislative Deputy to the Government Representative in the Senate): Honourable senators, I have the honour to table, in both official languages, the Departmental Plans for 2025-26.

THE SENATE

MOTION TO AUTHORIZE THE TABLING OF DOCUMENTS RELATING TO THE SUBJECT MATTER OF BILL C-5 WITHOUT LEAVE ADOPTED

Hon. Patti LaBoucane-Benson (Legislative Deputy to the Government Representative in the Senate): Honourable senators, with leave of the Senate and notwithstanding rule 5-5(k), I move:

That, notwithstanding the provisions of rule 14-1, until June 25, 2025, senators be authorized to table documents relating to the subject matter of Bill C-5, An Act to enact the Free Trade and Labour Mobility in Canada Act and the Building Canada Act, when the Speaker calls for the Tabling of Documents, without requiring leave, provided that any document so tabled be in both official languages.

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?

Hon. Senators: Agreed.

(Motion agreed to.)

COMMONWEALTH PARLIAMENTARY ASSOCIATION

COMMONWEALTH PARLIAMENTARY CONFERENCE,
NOVEMBER 3-8, 2024—REPORT TABLED

Hon. Rosemary Moodie: Honourable senators, I have the honour to table, in both official languages, the report of the Commonwealth Parliamentary Association concerning the Sixty-seventh Commonwealth Parliamentary Conference, held in Sydney, Australia, from November 3 to 8, 2024.

ARTIFICIAL INTELLIGENCE IN SECURITY WORKSHOP,
JANUARY 27-30, 2025—REPORT TABLED

Hon. Rosemary Moodie: Honourable senators, I have the honour to table, in both official languages, the report of the Commonwealth Parliamentary Association concerning the Artificial Intelligence in Security Workshop, held in London, United Kingdom, from January 27 to 30, 2025.

WESTMINSTER SEMINAR ON EFFECTIVE PARLIAMENTS,
MARCH 10-14, 2025—REPORT TABLED

Hon. Rosemary Moodie: Honourable senators, I have the honour to table, in both official languages, the report of the Commonwealth Parliamentary Association concerning the Seventy-third Westminster Seminar on Effective Parliaments, held in London, United Kingdom, from March 10 to 14, 2025.

[Translation]

COMMITTEE OF SELECTION

MOTION TO AFFECT MEMBERSHIP OF COMMITTEES ADOPTED

Hon. Raymonde Saint-Germain Honourable senators, with leave of the Senate and notwithstanding rule 5-5(k), I move:

That, notwithstanding rule 12-3(1) and the order of June 4, 2025, any committee that, under that provision of the Rules or that order, would have 12 members this session, instead have 13 members for the remainder of the current session;

That, notwithstanding rule 12-3(2)(g), the membership of the Standing Committee on Audit and Oversight be 4 senators for the remainder of the session, without affecting any provision relating to the external members, provided that, for the purposes of rule 12-6(2), the reference to 3 senators be read as reference to 4 senators, and that, for the purposes of rule 12-13(4), the reference to “all three Senators who are members of the committee” be read as if it said “all four Senators who are members of the committee” for the remainder of the session;

That the Committee of Selection be authorized to make recommendations to the Senate on issues relating to the duration of membership on committees;

That, notwithstanding any provision of the Rules or usual practice, the following Senate committees be authorized to elect three deputy chairs: the Standing Committee on Internal Economy, Budgets and Administration; the Standing Committee on Rules, Procedures and the Rights of Parliament; and the Standing Committee on Audit and Oversight; and

That, if a committee authorized to elect more than one deputy chair does so:

1. the reference to the deputy chair in rule 12-18(2)(c)(ii) be understood as referring to all deputy chairs of the committee acting together;
2. the reference to the deputy chair in rule 12-13(4) be understood as a reference to the number of deputy chairs that the Standing Committee on Audit and Oversight elects; and
3. any reference to the deputy chair of a committee in any policy or guideline be understood as referring to all deputy chairs acting together, until the Standing Committee on Internal Economy, Budgets and Administration decides otherwise.

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?

Hon. Senators: Agreed.

(Motion agreed to.)

[English]

ETHICS AND CONFLICT OF INTEREST FOR SENATORS

NOTICE OF MOTION TO AFFECT COMMITTEE MEMBERSHIP

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

That, notwithstanding any provision of the Rules or previous order, the Honourable Senator Ross take the place of the Honourable Senator Smith as one of the members of the Standing Committee on Ethics and Conflict of Interest for Senators.

• (1900)

ORDERS OF THE DAY

BUSINESS OF THE SENATE

The Hon. the Speaker: Pursuant to the order of June 12, 2025, I leave the chair for the Senate to resolve into a Committee of the Whole to consider the subject matter of Bill C-4, An Act respecting certain affordability measures for Canadians and another measure. The Honourable Senator Cormier will chair the committee.

MAKING LIFE MORE AFFORDABLE FOR CANADIANS BILL

CONSIDERATION OF SUBJECT MATTER IN COMMITTEE OF THE WHOLE

On the Order:

The Senate in Committee of the Whole in order to receive the Honourable François-Philippe Champagne, P.C., M.P., Minister of Finance and National Revenue, accompanied by at most three officials, to consider the subject matter of Bill C-4, An Act respecting certain affordability measures for Canadians and another measure.

(The sitting of the Senate was suspended and put into Committee of the Whole, the Honourable René Cormier in the chair.)

The Chair: Honourable senators, the Senate is resolved into a Committee of the Whole to consider the subject matter of Bill C-4, An Act respecting certain affordability measures for Canadians and another measure.

Honourable senators, in a Committee of the Whole, senators shall address the chair but need not stand. Under the Rules, the speaking time is 10 minutes, including questions and answers, but, as ordered, if a senator does not use all of their time, the balance can be yielded to another senator. The committee will receive the Honourable François-Philippe Champagne, P.C., M.P., Minister of Finance and National Revenue. I would now invite Minister Champagne to enter, accompanied by his officials.

(Pursuant to the order of the Senate, the Honourable François-Philippe Champagne and his officials were escorted to seats in the Senate Chamber.)

The Chair: Minister, welcome to the Senate. I would ask you to introduce your officials and to make your opening remarks.

[Translation]

Hon. François-Philippe Champagne, P.C., M.P., Minister of Finance and National Revenue: Thank you, Mr. Chair. My officials are right here. Would you please come to the bar? I think it's best if they introduce themselves, if that's okay with you, of course, Mr. Chair.

[English]

Sarah Stinson, Director of Operations, Democratic Institutions, Privy Council Office: Good evening, senators. I'm the Director of Operations for Democratic Institutions at the Privy Council Office.

[Translation]

Maude Lavoie, Assistant Deputy Minister, Tax Policy Branch, Finance Canada: My name is Maude Lavoie. I'm the Assistant Deputy Minister, Tax Policy Branch, Finance Canada.

Gervais Coulombe, Senior Director, Excise Taxation and Legislation, Tax Policy Branch, Finance Canada: Good evening. Gervais Coulombe, Acting Director General, Sales Tax Legislation, Finance Canada.

The Chair: Thank you, and welcome.

Mr. Champagne: Senators, thank you for having me. It is a privilege and a pleasure. This is the first time I've appeared before a Senate Committee of the Whole in my 10 years as a parliamentarian.

Naturally, it's a great honour for me to address the Senate on the subject of Bill C-4, a bill to build a stronger, more resilient economy for all Canadians.

[English]

As part of our ambitious plan to build the strongest economy in the G7, Bill C-4 will implement a middle-class tax cut — something that our fellow Canadians are looking forward to. It will help first-time homebuyers afford a new home across our nation, formally remove the consumer carbon price from law and make amendments to the Canada Elections Act.

Faced with economic uncertainty caused by illegal and unjust American tariffs, Canadians have called for a serious plan for change to address this new economic landscape and the rising cost of living. They've asked for change that puts more money in their pockets, change that builds the strongest economy in the G7 and change that builds "One Canadian Economy," not 13.

With Bill C-4, our government is delivering on that mandate, which received unanimous support in the House of Commons — something that does not happen every time.

[Translation]

First, with the passage of this bill, the lowest marginal personal income tax rate would drop from 15% to 14% effective July 1, 2025. This tax cut would help hard-working Canadians keep more of what they earn in order to build a strong future for themselves, their families and, of course, their communities.

[English]

The majority of the benefits of this tax cut — which would begin on July 1 — would go to Canadians who need it most: those with incomes in the two lowest tax brackets, with nearly half of the tax savings going to those in the lowest tax bracket. Honourable senators, this middle-class tax cut is expected to provide \$2.6 billion in tax relief to Canadians over the next six months and \$5.4 billion in 2026. Going forward, this middle-class tax cut is expected to deliver over \$27 billion in savings to Canadians over five years, starting in 2025-26.

As we all know, a home is the largest and the most important purchase that most Canadians will ever make in their lives. It is more than just a financial investment; it is an investment in their future, their families and their retirement so that they can have a place where they can live in peace and comfort. It is an investment in what we all would like, which is the Canadian dream.

However, we understand that Canada is facing a historic housing crisis. Canadians have asked for ambitious action from all levels of government to build more homes and ensure that housing markets serve Canadians rather than vice versa. To make buying a new home easier and to increase the construction and supply of new homes across the country, Bill C-4 will eliminate the GST for first-time homebuyers on new homes up to \$1 million and reduce the GST for first-time homebuyers on new homes between \$1 million and \$1.5 million. As a result, first-time homebuyers will be able to save up to \$50,000 on a new home, which could deliver \$3.9 billion in tax savings for Canadians over the next five years. That will allow more young people and families across our nation to realize their dream of owning a home.

Third, Bill C-4 will formally remove from law the federal consumer fuel charge, which was effective as of April 1, 2025. At the same time, we are making it crystal clear that a price on pollution for large emitters will continue to be a key component of our plan to build a strong economy and a greener future for our children and our grandchildren.

[Translation]

Finally, Bill C-4 seeks to clarify Parliament's intent that federal political parties' activities relating to personal information have been exclusively under federal jurisdiction and governed by the Canada Elections Act since May 31, 2000.

The bill also proposes additional requirements for federal political parties to have privacy policies in the future.

[Mr. Champagne]

[English]

In conclusion, the legislation highlighted today is a critical component of our government's plan to put people first and to build a better economy where everyone has a real and fair chance to succeed — the strongest economy in the G7.

I encourage my Senate colleagues to help us in this important work by voting in favour of Bill C-4. With that, I would be more than happy to take questions from the honourable members of this house. Thank you.

The Chair: Thank you, minister.

We will now move on to questions. We have a long list of senators who wish to ask questions, so I respectfully inform you, minister, that senators appreciate concise answers.

[Translation]

Senator Carignan: Good evening, minister. It is always a pleasure to see you. As I was saying, we spent the afternoon with LeBlanc, and now we have Champagne. What a lovely way to end the day.

Minister, speaking of champagne, it is rather costly, and so is the bill. It sets out a tax cut, a GST rebate and the repeal of the carbon tax. Can you give us an idea of the total estimated cost of your bill over five years? How can all of this be funded without increasing the deficit?

Mr. Champagne: First off, I want to thank you for your question, senator. It is a pleasure and privilege to see you, whether in this chamber or elsewhere.

As far as the tax cut is concerned, we are talking about a measure that will cost \$27.2 billion over five years. As for the GST rebate, we are talking about \$3.9 billion over five years. Adding up these figures will give you a sense of the scale of what we've done.

• (1910)

I also think this measure meets a need among Canadians at a pivotal moment for the Canadian economy. At a time when we are also facing unprecedented tariffs, we want to give families a little boost. People asked us for two things during the election campaign. I am not just talking about our party, but all members of Parliament, because we got their unanimous support.

The first was that we give them a hand. Affordability is the number one issue for people. The second issue was housing. The first bill we are introducing in the House addresses both of these issues. I would say that, for communities across the country, these are the two issues that resonated most as the election campaign was wrapping up and we were asking voters how we could respond to their needs.

Senator Carignan: Speaking of housing, the GST rebate applies to properties worth up to \$1.5 million. This may exclude buyers in urban areas, where housing prices are higher. How do you justify using the same eligibility thresholds for buyers in Vancouver and in Shawinigan? In your riding, I found eight houses for sale for more than \$1.5 million on the Centris website. However, the average sale price of single-family homes in Vancouver is \$2 million. People in your region will be very happy, but for those in Vancouver, the measure may not achieve the desired result.

Mr. Champagne: You're right to say that not that many homes in Shawinigan are worth \$1.5 million. However, time will tell.

I do want to remind you, senator, that this is an affordability measure. In the bill, there are two tests. One has to do with first-time homebuyers. It has to be a new home. It's a question of affordability, but also of increasing the new housing stock in the housing supply. The measures in the bill affect roughly 47,000 new homes across the country. If we look at the number of homes worth more than \$1.2 million or \$1.5 million in Canada that would qualify under the bill, we are talking about 1,000 homes. That number gives you an idea of the ratio. That is why our measure is targeted. If it affects only 1,000 homes worth between \$1 million and \$1.5 million, that should give you a better idea of the proportions. You have 47,000 homes on one side and 1,000 homes on the other.

The provision in the bill is an affordability measure that meets this objective. I'm glad you asked this question, because it gives me the opportunity to explain certain things to the Senate. I have been asked this question many times. I have been asked why we don't use a different threshold. The Department of Finance analyzed the data and found that only 47,000 new homes would qualify under this program. Keep in mind that there are two tests. You have to be a first-time homebuyer, and it has to be a new home. There are 47,000 of those, and if you apply the same test, the number drops to 1,000 for homes valued between \$1 million and \$1.5 million.

Our goal was to promote affordability. Canadians are, of course, making a collective effort to help those who want to get on the property ladder. At the same time, this allows us to increase the supply of new homes on the real estate market. These two tests yield those figures.

Senator Carignan: Why is it just for first-time homebuyers? If you really want to have an impact on the economy and renew the housing stock or the portfolio of residential properties, why not open up this GST credit to all homebuyers? The number you provided is not very high. We're talking about maybe \$400 million.

If we compare it to your tax cut, which is much more costly, in my opinion, it's basically the cost of one cappuccino a week. That is not going to keep the economy going. For homebuyers, a GST credit would have a much greater impact. When people buy a new home, it frees up their old home. Freeing up homes also helps renew this portfolio because of renovations. The economic impact would have been multiplied tenfold if you had given this GST credit to all buyers of new homes. Why did you decide to

limit this credit to first-time buyers? I agree that we need to help first-time homebuyers, but we also want to have an economic impact.

Mr. Champagne: I want to come back to your first question. Obviously, you will understand that the fiscal cost would not be the same. We decided to cut taxes for 22 million Canadians. Since the measure targets the first tax bracket, all taxpayers in Canada will be entitled to a tax cut as of July 1, if the Senate passes the bill and it receives Royal Assent. This measure will affect many Canadians, as 22 million taxpayers will benefit. For some, the amount may seem modest, but for a two-income family, the savings could amount to \$840. Considering that the median income in Canada is between \$37,000 and \$40,000, in such a context, for some families, that could be a significant boost at a time when, as you know, our fiscal framework is facing a number of challenges at the same time. Our top priority was the issue of affordability.

Getting back to your main question, it's important to remember that what we're actually doing here is asking all taxpayers to help people. We decided that what we want to do is help young families, help people trying to get into the housing market. I'm sure you agree that our children are finding it tough to get into today's housing market. You mentioned numbers that reflect the reality in some big Canadian cities. It's a massive undertaking for a lot of young people.

Look at my daughters, for example. If they wanted to buy a house today, depending on which neighbourhood or city they're looking in, they would have to have saved up a lot of money to qualify. We really wanted to adopt an affordability measure to help young families get on the property ladder while increasing the housing stock. We could have done things differently, but we made this choice to stay within a fiscal framework, for one thing. Had we expanded the measure, the fiscal cost would have been different. At the same time, these two measures taken together will cut taxes for 22 million Canadians and have a positive impact on housing. These two measures will be a big help for many Canadian families.

Senator Carignan: There would have been a greater impact if you had granted the GST credit for all new homes. However, I understand that there was a political choice to be made.

You mentioned your daughters, so I will tell you about my daughter. She just bought her first home, which is not new, and she needs to remodel the kitchen. Your bill has a provision on substantial renovations. What constitutes a substantial renovation under the legislation? I tried looking for a definition, but I could not find one. Does replacing a kitchen constitute a substantial renovation?

Mr. Champagne: It's great that your daughter is getting into real estate. It will help the economy. I could ask the officials to answer you in greater detail, but to keep things simple, the bill relies on existing definitions taken from other enabling acts to avoid creating a new definition for concepts like first-time homebuyer. We used the existing tax rules to avoid creating a new category.

As you know, one of the issues that we often encounter is the fact that the tax rules are hard for families to interpret. That's why we relied on definitions that already exist in various enabling statutes to define what a first-time homebuyer is and determine which substantial renovations could be recognized. I will leave it to the officials to answer your question or to get back to you with a written answer. I can ask them to speak to you this evening and answer your question in greater detail, because these definitions are part of other regulations and enabling acts. As I said, we haven't created new categories or new rules for these definitions. We relied on existing rules to avoid further complicating a measure that we want to keep simple.

The Chair: Minister, I hope you'll understand that I may have to interrupt you at times. I apologize, but I am the timekeeper.

[English]

Senator Dasko: Welcome to the Senate, minister, and welcome to your officials. It is wonderful to see you.

My questions today have to do with Bill C-4, Part 4. I welcome the confirmation in Bill C-4 that registered parties and eligible parties are subject to federal oversight under the Canada Elections Act. I think that is a very good idea.

• (1920)

The role of political parties in elections is at the heart of Canada's democracy. Research shows that 99% of MPs elected to the House of Commons over the last 30 years were elected as representatives of a political party, so they are very important in our system.

Minister, can you explain why the government has chosen not to implement the very clear recommendations made by the Chief Electoral Officer, or CEO, to Parliament on how to better protect electors' privacy by applying the broadly accepted privacy principles and oversight mechanism that apply to other key federal institutions? These recommendations were made by the Chief Electoral Officer after the forty-third and forty-fourth elections. The provisions in Bill C-4 do not meet even the CEO's minimum level of protection of electors' privacy.

Further, can you be clear about why the government has not implemented other important recommendations from the Chief Electoral Officer, for example, the collection of demographic information on electoral participants? Thank you.

Mr. Champagne: Thank you very much, senator. Thank you for raising Part 4, about which, obviously, there have been some questions. You highlighted in your question the need for a national regime, for federal parties to have one common regime across the nation, as opposed to a patchwork that you would have if you left jurisdiction to provinces, for whom I understand some of the questions have been raised.

The other question that will certainly come is this: Why have we chosen that vehicle, Bill C-4, to do that? I would say it is because it was the first opportunity since 2000 to clarify the intent of the House to have exclusive federal jurisdiction over privacy matters with respect to political parties.

[Mr. Champagne]

If you look at the current act and the enhancement that you have under the act, you will see there are a number of things that I think we have taken into consideration, because now political parties will have to explain not only what they do but how they do it. They will have to have a privacy policy. It will have to be published, it will have to be in both official languages and it will have to be in plain language. They will have to have a privacy officer.

So it is not just that we are going back to the original intent, which is what we want to clarify. You will see that in Bill C-4, there are a number of enhancements to the regime that already exists, which will all be subject to the Chief Electoral Officer and the Commissioner of Canada Elections.

We also added administrative monetary penalties in the event of a breach. I think we will have a stronger regime than what we do now. If the House so chooses in the future, that could always be complemented. I think the urgency behind acting is to ensure that we have one national system, one set of rules that would apply to all federal political parties. I think that is preferable to having patchwork legislation that would cover federal political parties. That is why you saw the House adopt that unanimously.

[Translation]

Senator Petitclerc: Minister, the National Disability Network, March of Dimes Canada, and some of your colleagues in the other place are very concerned about the unforeseen consequences that cutting taxes from 15% to 14% could have on Canadians who receive the disability tax credit and the medical expense tax credit. According to them, reducing the basic income tax rate would reduce the dollar value of these two tax credits for those Canadians. We know that they already face significantly higher daily costs due to disability. We can all agree that this is surely not the intent of this measure.

I have two questions for you. Are you aware that this tax cut might not fully and equitably benefit people with disabilities? Do you intend to correct this unfortunate situation by making an amendment to Bill C-4, like these organizations are asking you to do?

Mr. Champagne: Senator, thank you for raising this important issue, which could affect many people. Some of those watching us from home tonight will surely be asking themselves this question, so I'm glad you brought it up.

This matter was studied and analyzed at the Department of Finance. We need to examine the taxpayer's situation. Some 4.5 million people claim the tax credit you mentioned. When we look at the net result, they will be better off because, on the one hand, there is a tax cut and, on the other hand, there is also a

decrease in the tax credit. When you calculate the net effect of the two measures, the vast majority of people who receive the credit will be in a better position than before. That is our analysis.

When tax measures like this are introduced, there are always consequences. We made sure that the vast majority of people who receive this non-refundable tax credit will also benefit from the tax cut. This tax cut will be greater than the reduction in the credit, so in terms of net result, those individuals will be better off.

Senator Petitsclerc: Thank you for your response. I understand that we are talking about the vast majority, but I would like to clarify something. Apart from the vast majority, will this group of people with disabilities be unfairly impacted? Would you agree with me on that point?

Mr. Champagne: I would like to correct something. We are talking about the vast majority of people who receive the credit; we are not talking about the vast majority of citizens, but about all those who are eligible for the tax credit. I am talking about the vast majority. These cases would be exceptional, because the individual would have to have more tax credits than they are claiming on the other side. The vast majority of people who receive this tax credit will end up better off than before. Studies have been done on this.

[English]

Senator Simons: I want to pick up where my colleague Senator Dasko began. In 2024, the Supreme Court of British Columbia ruled that provincial privacy legislation should apply to federal political parties. I understand the government's urge to create a national federal standard and not a patchwork. But you have created a lower standard than would be found in the private sector or other governmental areas. I'm not surprised that all parties agreed. This is a question of foxes in the henhouse, because it is in the interests of those parties to be able to exploit that voter information.

But at a time when we want to enhance Canadians' trust in democracy and their participation in democratic institutions, I will ask the question again: Why did you set a lower standard of privacy protection for people involved with political parties, and why did you slip it into a tax bill that will be next to impossible for anybody to oppose? And please don't say again that it was the earliest possible way to do it.

Mr. Champagne: I am afraid I will disappoint you, senator. I would say it is because it was the first time we could do it. It also reflects the intent of the House. I appreciate that some people may disagree, but the House wanted to clarify that this was the intent not just today but back in 2000. There is nothing new in that. It is just to reaffirm that when we modernized the Canada Elections Act — I think it was in 2023 — there were already clarification sections on that. As a lawyer, I would say it is just to clarify the intent of the legislature back in 2000. It was always meant to be the case, so there is nothing new in that.

On the other hand, I would say, to those who may have a different view, if you look at the provision in the act, it strengthened the regime to what it is today. The House certainly believed that it was better to have one national framework, one standard where you have a number of rules where parties must publish their privacy policy, must have a privacy officer, are subject to penalties and could even face deregistration as federal political parties if they fail to abide by the standards.

I would say there are a number of checks and balances in the bill, but I appreciate that some people may have a different view on that. Certainly, under the Canada Elections Act, I think it is a framework that is well recognized around the world as one of the best frameworks for democracy, and it has served Canada well for a very long time.

Senator Al Zaibak: Minister Champagne, thank you so much for being with us today, together with your team. It is always a pleasure seeing you.

• (1930)

Minister Champagne, the repeal of the consumer carbon pricing and fuel charge provisions marks a significant shift in the government's policy. Could you please explain how the government will continue to support emission reductions while ensuring affordability for Canadians, given the loss of the carbon tax related to this item?

Mr. Champagne: Senator, it's a real pleasure also to see you inside this house. It's a real privilege to appear before you.

You are quite right. It's a very good question that people will ask. This is a commitment we've made and, obviously, in the act, we're just confirming what we've announced — that it would be effective as of April 1, 2025.

This is really to give relief to the consumer part of the act, as you know, because we're still expecting — and Part 2 of that act is still very much in place with large emitters, which will obviously have to contribute to financing efforts on climate change.

I would also put that in the broad context of a number of things that we have proposed in terms of the incentives to make sure Canada not only fights climate change but leads around the world, with all of the incentives and the investment tax credits. You may have seen that we have a suite of investment tax credits which have allowed us, for example, to create the most comprehensive battery supply chain. Even Bloomberg ranked Canada ahead of China. It's not every day that we are ranked ahead of China when it comes to industry, but Bloomberg recently ranked Canada ahead of China when it comes to the battery ecosystem that we have created in Canada. That just tells you that Canada is very much on top of that.

Prime Minister Carney said that we want to be an energy superpower because I think we have what it takes in this country to be that. We can exploit those resources responsibly and sustainably, with the best possible practices that you will find around the world.

On the one hand, we're helping consumers, but, on the other hand, we have a commitment to fight climate change, which is really the existential threat of our century. We may feel we now have a number of things providing us headwinds, but I think that this house and all Canadians are still very much concerned that we maintain our efforts to fight climate change together.

Senator Al Zaibak: Thank you. I'm also wondering if the government is exploring any alternative mechanisms, such as investment in clean technology or home energy efficiency, to help households transition to a post-carbon-pricing environment.

Mr. Champagne: I'm happy you asked that question, senator, because I want Canada to be the supplier of choice to the world. When it comes to green technology, Canada can really be that supplier of choice to the world. The world is looking to Canada in many respects. We are a magnet for talent. We have strong industry. We are one of the few countries that produce cars, planes and ships. We have critical minerals. We have energy, and we're the only country in the G7 that has a free trade agreement with all the other G7 nations.

On the one hand, I look at the world and I see there are challenges, but when I hosted the G7 finance ministers and central bank governors, I can tell you there were a number of people who would have liked to be in my chair. When you look at the world and at Canada's debt-to-GDP ratio, we are probably in a better place than many to meet the challenges of this new world we are now facing.

That's why I'm confident in the future, and that's why this act to provide affordability, build more houses and address the issues with respect to carbon pricing is the kind of thing that Canadians want to see. They want us to think big. They want us to be ambitious. They want us to build a resilient Canadian economy, and we must all live up to that moment.

Senator Al Zaibak: I yield the balance of my time to Senator Deacon.

Senator C. Deacon: Minister, you know I'm passionate about privacy and data rights and the Digital Charter and modernizing privacy protections for Canadians. We have spoken about it many times. As such, I also have to ask about Part 4 of Bill C-4, the making life more affordable for Canadians act.

It proposes a privacy regime that provides no consent, no reporting and no independent oversight when federal political parties collect data. It's retroactive to 2000 — 25 years ago. Privacy experts and editorial boards have strongly criticized this proposed measure. Part 4 risks eroding the trust that the Prime Minister has worked hard to earn from Canadians.

Can you help us understand how Part 4 helps Canadians in this period of geopolitical and economic instability? What makes it an urgent priority, given the patchwork-preventing amendment that confirmed federal political party jurisdiction in the Budget Implementation Act, 2023? It has already been done. Is there a specific deadline that is forcing the government to pass these particular amendments right now?

Mr. Champagne: Thank you, senator. I want to thank you for your work on privacy. You've always been a source of guidance and thoughtfulness on that, and I'm grateful for that; I just want to say that. That's also the role of the Senate, to work with us.

On this particular piece of legislation, let's go back to the essence of it. We're going back to 2000. We're just telling the courts the intent of the House back in 2000.

In addition to that, we're improving the regime. Look at what is currently in the act and what will be added if it's passed by this house and gets Royal Assent. You will have a privacy officer. You'll have a statement on the types of personal information collected with respect to all the activities — what's retained, what's disclosed, what's disposed of. We are in sync with the regime, I would say respectfully, senator.

Why do we need to do that? Because we need to provide predictability. We need to tell the courts the intent of the House. This time, it's not only the intent of one party, but it's the unanimous support of all members of Parliament who are telling the courts what the intent was back in 2000 to avoid any possible misinterpretation of the intent of the House. That is our role as legislators: to provide clarity so the courts can interpret the will of the people as expressed in the bill we passed and how we did that in 2000.

Senator C. Deacon: Thank you, minister. I'm struggling. Canadians want greater control and transparency. They want to be able to provide consent, access, withdraw personal data and have independent oversight. This bill doesn't provide independent oversight. The two parliamentary officers who are responsible in this area, the Privacy Commissioner and the Chief Electoral Officer, are recommending something very different. It's out of line with the Personal Information Protection and Electronic Documents Act, or PIPEDA; the General Data Protection Regulation, or GDPR; even the Consumer Privacy Protection Act, or CPPA.

I'm just wondering, if not now, when? When will the government introduce legislation that will address the lack of privacy rights for political parties — legislation that will grant Canadians that? Would you consider amending or removing Part 4 until proper privacy protections are put in place?

Mr. Champagne: Again, senator, I appreciate the question. You know I worked hard to update our privacy legislation in the former House. I worked hard and, sadly, we did not achieve what we wanted. I agree with you; there's a need to update some of the privacy laws. But when it comes to federal political parties, the act that's going to govern privacy is going to be under the Canada Elections Act. That is the will of the House.

That's why I say I appreciate what you're saying, but it's still going to be subject to the Chief Electoral Officer. It's still subject to the Commissioner of Canada Elections. It's subject to monetary penalties. It could even lead to a deregistering of a federal political party, which would be extraordinary under any circumstances.

Why did we need to do that? We needed to provide clarity as to our intent back in 2000, and we needed to send a signal to the courts about the will of the House with respect to that. We need a uniform framework with enhanced provisions. I'm sure the senator has read the act; there are enhanced provisions. Still, the government can eventually decide to amend that further in terms of the Canada Elections Act. For now, we believe this is what is needed to provide a uniform set of rules.

As I said, I appreciate that some may wish otherwise, but it's rare in the House that you have unanimous consent on any subject. I would think the concerns of the different parties have been taken into account, and the House has spoken.

• (1940)

Senator Cuzner: Minister, it is good to see you. Congratulations on your appointment as finance minister. I want to commend you. The aspects of Part 4 are really not in your straight-line responsibilities of the Elections Act and the Privacy Act, but I think your representations here this evening are much appreciated.

Could you expand a bit on why you think it's important that these amendments received unanimous support in the other place? With regard to some of the concerns that have been shared, which are absolutely legitimate, we're closer to the beginning of this Parliament than to the end, obviously. There is nothing in this bill that would preclude the government from moving to address some of the issues that have been raised so far this evening.

Mr. Champagne: Thank you, senator. It's good to see you in the Senate and to answer your questions.

Your question is a very important one. It goes to the member. I want to be very forthcoming. There is an urgency for us to clarify what the uniform standard is across the country to avoid a patchwork of policies. I'm very sensitive to the questions asked and comments made by other senators.

One thing I hear a lot about as well is organizations, and here I'm not even referring to federal political parties, just organizations. As you know, senator, I've been wanting a federal standard, because when you have 10 provinces and you have to deal with that, the patchwork does not help us to achieve a common denominator or standard.

In this bill, senator, I won't say there are improvements. I hear senators who say that one could have decided to go farther, but there is already improvement to where we are today. That is because the act will require that you publish the privacy policy, how you will deal with the information and what information you will collect. You have monetary penalties for the political parties. As I said, that could even lead to a deregistration. That's a fairly strong remedy for people who would not address privacy concerns in line with their privacy policy. So we're moving a step forward.

Now what I am hearing from the honourable senator is that in the future Parliament might decide to go farther. Perhaps, but what I'm saying to the honourable senator today is that it's a step forward. It reflects the intent, because we need to clarify what the intent was because we need to provide guidance to the courts. As a lawyer, I would like nothing better than to have the House clearly saying that the intent back in 2000 was that this was a national regime that would be governed under the Canada Elections Act. With this act, we will provide the clarity to the court so that we can have one uniform national standard.

[Translation]

Senator Gerba: Minister, thank you for being with us today, and welcome for your first appearance before a Senate Committee of the Whole.

Bill C-4 is being touted as a key affordability measure at a time when millions of Canadians are having a hard time making ends meet.

What surprises me about this bill is that low-income people — who pay little or no income tax — are likely to benefit the least. Economists say that refundable tax credits are a better tool, a very efficient tool for helping vulnerable populations.

Have you thought of other measures or considered bolstering refundable tax credits rather than lowering the marginal tax rate for everyone?

Mr. Champagne: Thank you for your question, senator. It's a privilege to be with you this evening.

You're right, and that's why we decided to cut taxes for the first income tax bracket, because we could have made a different choice. However, by picking the first tax bracket, which is for people earning \$57,375 or less, we could be sure of reaching more Canadians. We are talking about 22 million Canadians. Everyone who files a tax return will benefit from this measure as of July 1.

The main measures we are proposing will go to the first two tax brackets. However, based on 2025 figures, 45% of all this will go to the first tax bracket, and 41% will go to the second. Low-income earners and the first two tax brackets will receive 86% of the tax relief.

We could have made a different choice, but picking that first tax bracket is how we'll help the lowest-income people in the country. As of 2026, 44% of this measure will affect people in the first tax bracket. This is probably one of the most direct measures we could implement. I'm willing to suggest that leaving money in people's pockets has got to be better than giving them a tax credit, because it's money. As you know, the source deduction tables will be updated as of July 1 if this measure is passed. That will be an immediate, concrete and direct way for us to reduce the amount of tax these people have to pay.

[English]

Senator Cardozo: Welcome back, minister, to the Senate Chamber in your new role. I just want to talk a little bit about co-op housing. I'm pleased to see that it is talked about in the bill regarding amendments to the Excise Tax Act. It doesn't help a whole lot in this bill, but I'd just like to get your sense of the importance of co-op housing and whether you see other measures you might take in terms of affordable housing.

I have a quick comment on the complementary piece of legislation we're looking at regarding the ability of the Governor-in-Council to opt out of legislation. We've heard a lot of concerns about that, and I encourage you to consider constraining that power in Bill C-5, but I'd like your thoughts about co-op housing.

Mr. Champagne: Thank you, senator. It's a pleasure and a privilege to be with you tonight.

You're right that this is not the only measure. Obviously, housing is probably one of the most concerning aspects Canadians are facing across the nation. Affordability and housing are probably the two things that people talk about the most because that is affecting people in their daily lives. It is something applicable across the nation.

The GST elimination and rebate are obviously just one part of a suite of measures we have seen on housing. This government has tackled housing a bit like we've done since the Second World War. It is a wartime effort to build more and make sure affordable housing is available. I can name the Canada Housing Benefit and the Federal Community Housing Initiative. We've invested significant money into supporting co-op and communities to build affordable housing. That's why I am saying that you have to take the measure in Bill C-4 as part of a suite of measures to ensure that we offer as many opportunities to Canadians as possible so that they can afford a home in our country. Honestly, there's no reason in Canada, in a country as big as ours and with all the industries we have, that we cannot tackle this challenge together.

The Prime Minister has been very clear about the ambition that we have to build more houses in this country — to the tune of 500,000. It's an effort that we've seen. We're also taking lessons from the book after the Second World War. You may have seen the booklets when people had approved plans. This country knows how to do big things. When we act collectively and face challenges, we are able to tackle them.

What we have in Bill C-4 is just one measure in a much larger suite of measures to address the housing issue across our nation.

[Mr. Champagne]

• (1950)

Senator Varone: Minister, welcome. It's a pleasure to have you here tonight, and I thank you for arranging this morning's tech briefing.

My question relates to Part 2 of Bill C-4. Notwithstanding that a prospective purchaser is a first-time buyer in the marketplace, the legislation imposes further restrictions beyond just being a first-time buyer: subparagraph 5(2.1)(e)(i), the need to occupy immediately upon closing, and subparagraph 5(2.1)(e)(ii), the need to declare the home as their place of residence. It seems to be a belt-and-suspenders approach to a critical issue of market entry.

There's a very large group of first-time buyers who are not ready to occupy but wish to enter the marketplace and who do not benefit from this legislation. This group includes, to name a few, soon-to-be-married couples, recent graduates, those newly employed in the labour force and even individuals who live in their parents' basement. This legislation prevents them from benefiting, because they're not ready to occupy and declare their newly acquired home as their principal residence.

If the legislation was created to kick-start a hurting industry, we should have looked at ways to make the sea of first-time buyers larger and not smaller. A first-time buyer who chooses to rent his newly acquired home is no less a first-time buyer than one who decides to occupy. Why make the distinction?

Mr. Champagne: Thank you, senator, for your question. It's a very thoughtful question, and I'm grateful that you asked it.

We have to go back to the intent of the bill, which is affordability. This is to help young families — as in the case that you presented — and others buy their first home, a newly built home in this country. I don't think it was meant to be seen as an investment.

Let's keep in mind that we started with affordability. The bill's title includes the word "affordability." Affordability — at least when I read it — would to me mean helping a young family to buy their first new home.

I appreciate that we could have done things differently, but when you look at the affordability criteria first, this should be a home that you will occupy as opposed to an investment, because this is really meant for you to be able to get into that first home as opposed to, perhaps, having that as an investment and renting it out.

I appreciate that we could have done things differently, but I can assure you that the north star we had when we did that was really, "How can we help?"

We have heard from students. We have heard from young families. We have even heard from people in their thirties who are trying to buy a new home for the first time. We really wanted to make sure that it would be people who would occupy that residence and at the same time increase the stock of newly built homes in the country.

Senator Moodie: Minister, thank you for being here this evening. I want to change the discussion a bit.

According to the Market Basket Measure, 10% of Canadians live in poverty, and that is a measure that is, frankly, not sensitive enough and leaves many Canadians behind. One in five Canadian children lives in poverty.

What poverty reduction strategies did you consider in your deliberations around how to address affordability — and not just affordability for the middle class?

What other steps is your government planning to take to reduce poverty, especially for very low-income Canadians and vulnerable populations in real need?

Mr. Champagne: Thank you, senator. I want to thank you for that question, because I think you need to see Bill C-4 as part of a broader suite of things we have done to tackle poverty in this country. I am thinking of the National School Food Program for children, which our government introduced. I don't have the numbers with me now, but it is hundreds of thousands of children who do not go hungry in the morning when attending school.

I think this is who we are as Canadians. Tackling poverty should always be front and centre in what we do.

You could look at affordability also when we decrease or reduce taxes for 22 million Canadians. That's going to help as well. The median income in the country is around \$37,000 to \$40,000. When you give a family with two incomes a break of up to \$840, that helps. There is also the Canada Child Benefit.

There is a suite of measures that are trying to tackle the very important issue that you mentioned: reducing poverty in our country and child poverty in particular.

We have had the backs of Canadians when things were tough for them, and I think you can count on us to continue to treat affordability as one of our key priorities.

The Prime Minister has been very clear that all ministers need to think along these lines to ensure that in what we do, we ask how we can better serve Canadians, have a government fit for the 21st century and tackle poverty, which is one of the big issues in our country.

Senator Loffreda: Welcome, minister, to the Senate, and congratulations.

My question concerns the eligibility criteria for Canadians under the first-time home buyer rebate. Paragraph 4(2.1)(b) specifies that the agreement of purchase and sale must be entered into after May 26, 2025, and before May 26, 2031 — May 26 being the date the bill was first introduced in the other place.

While I understand the government needed to establish a clear start date for the rebate's application, was any consideration given to using the date of closing or possession rather than the date of purchase as the basis for eligibility?

I ask because it is a matter of discussion. As you may be aware, there's an online petition advocating for this change, which has already garnered 2,500 signatures.

Mr. Champagne: I appreciate the question. As you might expect, senator, it's a question I have received before.

You want to have the date be the moment when people make the decision to purchase that house. Remember, the objective of this act is to provide affordability and eliminate GST for homes up to \$1 million, and it needs to be a new home.

The practice, in terms of tax policy, is always tied to the date of contract. These are long-established fiscal policies of the Department of Finance Canada, and it is always the date of the act, when people are actually making the decision to purchase the home.

Looking back, the intent was to increase the stock of homes. People who have already contracted and are waiting for closing would not fit within the objective of the act that we present. As I'm told by the official, it's a long-established practice where tax incentives are tied to the date of the contract to ensure that this is the time at which people make their decision.

If you look at the closing date, you could have unintended consequences, because closing, as the honourable senator knows, is not necessarily something that people would have control over.

But when they make that decision to purchase that house, that is the time. The policy objective we have is giving them the tax rebate; that will incentivize them to make that decision. That's why we selected that date — the date of contract — as the one most aligned with our policy. Also, with respect to long-established tax policy in this country, you tie that to the date of contract.

I appreciate that some people would say "in lock" or "out of lock," but this is tax policy, so you want to do it at the date when people made the decision. That's the fairest way to pick a date, because any date you pick, there will be people on one side of the fence or the other. The fairest thing that we could do was to pick the date when they make the decision.

Senator Pate: Welcome, minister.

Bill C-4's tax cut purports to make life more affordable, yet one in four people — 9.6 million Canadians — with the lowest incomes and at the greatest risk of homelessness and hunger will not receive any benefit at all. This tax cut will cost Canadians \$5.7 billion per year, while 75% of the benefits will go to Canada's top 40% of earners.

The Canadian Centre for Policy Alternatives calls it "... a pricey measure that disproportionately benefits the rich ..."

• (2000)

The government can invest meaningfully in the resilience and capacity of Canadian economies and communities by ensuring that all are empowered to contribute. I would like to know when the government will be introducing measures to provide adequate income support for those most in need.

Mr. Champagne: Thank you, senator, for your question. It is a very important question. The choice we made is probably the broadest possible measure you can have in terms of affecting 22 million Canadians. If you look at 2025, for people earning \$57,375 and under, they will receive 45% of that benefit. If you look at 2026, it will go to 44%. I would say the vast majority of the tax benefit we're providing is for the first income bracket of people who earn \$57,375 and under. We have really targeted it to go to the first bracket of taxpayers to ensure it is the broadest possible measure.

To your point, senator, we have a suite of measures to support Canadians: the Canada Child Benefit, the National School Food Program and the child care benefit. We have done a number of things to support families, and we should at a time when we are facing unprecedented challenges. Families, communities and workers are expecting their government to step up and be there for them. I can assure you that it is a part of our DNA to be there for Canadians in a time of need.

Senator Pate: I'll underscore the fact that we are still not meeting the needs of the people who are most visible. By saying that you are reaching those most in need, many people in this country would think you are intending to assist the people who are visibly homeless and hungry.

Given that Bill C-4's tax cut will primarily benefit higher earners, if the government chooses to proceed with this cut, will it at least commit to paying the \$5.7 billion annual cost not off the backs of those with the least — through cuts to programs and supports — but by ensuring the wealthiest pay their fair share, including by finally recuperating the revenue lost through offshore tax avoidance and evasion, as revealed in things like the Panama Papers and Pandora Papers? I note that since Senator Downe spoke about this, Canada still has not recouped a single dollar of the estimated \$83 million owed just due to the Panama Papers, yet economies like Iceland, with 340,000 people, have recouped some \$25 million. It strikes me there are other options that could be looked at which would be more beneficial to more Canadians and also not cost all of us more.

Mr. Champagne: Thank you, senator. I can tell you that I'm a hawk when it comes to making sure people pay their fair share. Financial crime is something I led at the G7. You may have seen in the communiqué from the G7 finance ministers and central bank governors, there was an initiative by Canada with respect to financial crime, including money laundering, as well as going after organized crime and ensuring we coordinate better so that we can enforce our laws and ensure we tackle the issue of money laundering. I am very much in the same spirit as you. You will see more on that. Canada was leading at the G7. There is more work to be done. As you know, these criminal organizations are becoming increasingly sophisticated. We had a number of people talking about the use of quantum technologies and artificial intelligence, or AI. We're in a world where we need to put in additional resources.

You can count on me to be a hawk on these things. I brought that to the G7, suggesting to colleagues that we should work closer together to tackle that and to ensure we put all of our resources behind it to ensure everyone pays their fair share.

Senator Housakos: Thank you, minister, for being with us. It is always a pleasure to see you. For the record, minister, you know that I support good Conservative policy, even when it is found —

Mr. Champagne: I needed translation to make sure that I got that right.

Senator Housakos: — even, minister, when it is found in Liberal government legislation. However, I am disappointed that you have been a little bit careless in your implementation of it. You did not match our income tax reduction to 12.75%, you are only offering a GST rebate on new homes and you have not removed the industrial carbon tax. These omissions make the policy far less effective than what was originally in the Conservative Party's program.

Since Canadians need maximum assistance at this time, why did you not implement the policies in their entirety instead of a watered-down version, minister?

Mr. Champagne: Senator, it is always a pleasure to see you. I can tell you that even your colleagues in the House of Commons were smiling when they voted in favour of our bill, senator. They were smiling, and I could see it in their faces and their eyes; they were glowing when they voted because now they are voting for tax cuts, reducing the GST for first-time homebuyers and removing carbon pricing for consumers. Senators, I have been in the other house for 10 years, and I can tell you that I saw so many smiling faces and glowing eyes voting in favour of a government bill that cuts taxes. I think we made their day that day.

Senator Housakos: Minister, that wasn't my question. You keep missing the point. Obviously, we support an initiative, but we are just asking why you didn't take it in its entirety instead of creating a watered-down version.

Obviously, we support Conservative policy. It has been a radical change for your government from the last 10 years because we heard very different messages in this place when you visited us in the past. I'm glad that you are turning over a new leaf and you see the light — finally — but we want to know why you are not more orthodox in taking the Conservative policies.

Mr. Champagne: It is interesting because on the one hand, your colleagues voted for great Liberal policy, but at the same time, you advocate for fiscal responsibility. This made your day because we created a tax cut, but at the same time, we were rigorous when it comes to fiscal management and the fiscal framework. That is why I said that about your colleagues in the House of Commons on that day — senator, I know that you want us to be orthodox, but I'm Catholic, and I can tell you that on that day, everyone was cheering.

Senator Housakos: We all have the same objective: Orthodox or Catholic, we want the best for taxpayers and Canadians.

Minister, you know that we opposed the carbon tax for years, we were the first to propose removing the GST from home purchases and we were advocating for a reduction in income tax rates while your party was actively opposing all of those policies. Although we lost the election, I'm pleased that we won the policy debate after years of my good friend Senator Gold opposing removing the GST on new homes.

I'm wondering if you will tell us at what point you began to recognize that our position was the right one. Was there something specific that changed in your point of view? What was the moment that triggered the decision that this was good policy and we're going to embrace it?

Mr. Champagne: Senator, this is great; now I feel like I'm in the House for once.

Senator, we have always advocated for fiscal responsibility. We have always advocated for Canadian taxpayers. We always advocated to build a strong country. I would think that you would be pleased with the ways and means motion that we introduced. It was the first act we introduced in the House, and it was to reduce taxes. As someone with Conservative views, I would think you would be happy that the first act of this government — a Liberal government, senator, may I remind you — was introducing a tax cut and reducing the GST for first-time homebuyers while, at the same time, addressing carbon pricing to provide stability and predictability to Canadians.

To have unanimous support, senator, is something that is telling. Your colleagues in the House have also seen the light in supporting us to ensure that we can deliver for Canadians.

Senator Housakos: As you know, we are a very cooperative opposition, minister. The question, again, at hand is this: You talk about stability and consistency, yet we still have not received a fiscal update. We do not know what the actual deficit is this year. We do not know if it is greater or less than last year. Minister, is the deficit actually greater or less than it was last year, and will this be a hindrance in being able to implement this policy?

Mr. Champagne: Senator, it is a pleasure. You will have to wait just a little bit, but you will be proud when we present the budget. It will be a budget to make Canada strong, resilient and the strongest economy in the G7. I'm sure that you are looking at *The Fiscal Monitor*, and you had an opportunity to look at the Main Estimates we presented in the House. At this point in time, the country is facing unprecedented challenges. You have seen our commitment on the defence side and our commitment to housing. You will just have to wait a little bit longer, but you will be very happy when it's the fall and we present a great budget for Canada.

Senator Batters: Yes, we will be waiting several more months, but we will be waiting.

• (2010)

Minister Champagne, part of Bill C-4 will finally repeal your government's consumer carbon tax, and to this I say, "hallelujah." We in the Conservative caucus have relentlessly pushed for this for many years. In fact, I first pressed your Liberal government about carbon tax by asking questions to then-Minister Goodale in our old Senate chamber in the Centre Block seven and a half years ago. On the other hand, minister, you have a very long history of supporting the Liberal carbon tax. Your predecessor, Minister Freeland, voted for the carbon tax at least 43 times, and I'm sure your voting record is very similar. Your pro-carbon tax quotes — my goodness. When you were asked about the cost of your carbon tax last year, you said:

... Canadians are proud of the environment minister because he is standing up for what is right for this country, while we have the climate deniers on the other side. They want to see the planet burn. We want to act for our children. We want to act for future generations.

And you contended:

... Eight out of 10 will get more money.

... We will fight for climate change, and we will fight for our children.

Last March, you told the media that putting a price on pollution is "the right thing to do." You said:

This is an investment in the future. The plan is working, it's going to bring more money in the pockets of Canadians, and we're going to continue to do that.

Minister, I want to know how much money — how many billions of dollars — your Liberal government took out of the pockets of Canadians for the carbon tax you charged them for six years. You have been the minister for several months, so you must know the number. How much is it?

Mr. Champagne: Madam Senator, I am pleased that you have all of these quotes. I will look at the answer to remind myself of all of the things that were said at the time.

I would say six weeks has changed the world, senator. These six weeks have seen a very different world than the one that we had before. I would say you should be pleased to see a government that, when they see circumstances have changed, they need to change course. That is what Canadians told us. We just had something called an election recently. We went out and we listened to Canadians. In our democracy, it is a good thing. Canadians told us we needed to change course.

Obviously, there is still concern about climate change, and we heard that from your colleagues. This is the challenge of our generation and probably of our century. At the same time, there are different policies to achieve the goal that we have as humanity.

You should be pleased — and your colleagues in the House were very pleased — to see that we have answered to one concern that was expressed by Canadians.

It is a good thing that we can realize. And they say there are different policy choices to achieve the big objective we have. We decided in this bill to make sure that, in law, we would repeal the carbon pricing for consumers. This was also applauded by your colleagues in the House, who said this is a measure that is going to help Canadians. It is all about affordability. You have to start from the basis. You always ask the why — or at least I always ask the why. The why is affordability. Reduce taxes, give people a chance to get their first home, reduce the costs when it comes to carbon pricing.

That suite of measures is helping our nation to be more resilient. We have heard Canadians. That is a good thing in a democracy that you listen to your constituents from across the nation who have told us, “We agree there is a bigger challenge, which is climate change, but there are different policies you can adopt; give us a break now. We need that in light of everything that is happening in the world now.”

Senator Batters: I certainly look forward to receiving the actual number from you. Perhaps you can consult with your officials and get back to us with that.

According to an April article in the *National Post*, the total your government collected over the length of the carbon tax program comes to \$44.9 billion.

Wow, that’s \$45 billion taken out of the pockets of Canadians over those six years. During that time — and not just for six weeks but for a considerable period of those six years — millions

of Canadians struggled as they lost their jobs or their small businesses during COVID and have suffered with the skyrocketing cost of living in Canada during an affordability crisis.

Minister, your Liberal government steadfastly and self-righteously, at times, backed the carbon tax for years, pushing it on Canadians who could not afford it. Why should Canadians trust that about-face now?

Mr. Champagne: Madam Senator, I would say, when it comes to affordability, your colleagues in the House have voted against every affordability measure we presented for the last decade, and Canadians have noticed that in the last election. You voted systematically against all the affordability measures we presented, whether it was about child care, the National School Food Program or with respect to the disability legislation we presented.

When you look at the record of the Liberal government over more than a decade, when it comes to ensuring we have Canadians’ backs, whether during the time of COVID or after, our record speaks for itself.

I would say, sadly, that your colleagues in the House have voted against every single measure of affordability we presented in the House. Therefore, I think it is good that now everyone is supporting this bill; it is a step in the right direction.

If you want a quote, you should look at both sides and you would see that your colleagues have voted against about every single affordability measure presented in the House in the last decade.

Senator Batters: Well, \$45 billion of carbon tax is a lot of affordability measures.

Minister, I will move on. Since you just mentioned disability, I want to go back to that question. Another part of Bill C-4 provides for a modest one percentage point income tax cut, but this measure in your bill has the perhaps unintended consequence of also reducing the value of the Disability Tax Credit. As Inclusion Canada has stated, “The costs of living with a disability don’t [go down] when tax rates fall.” These disability advocates want an amendment to Bill C-4 to protect persons with disabilities from a sizable reduction to funds that are essential to them.

The National Disability Network has written to you about this and told you that without this amendment:

Those who face the greatest financial barriers stand to benefit the least from this policy, and in some cases, will be worse off.

I listened closely to the answer that you gave earlier to Senator Petitclerc on this issue. I note that in the letter they sent to you, the National Disability Network provided you with several examples of situations where persons with disabilities will be negatively impacted by the reduction of the Disability Tax Credit even with that modest income tax cut factored in.

Minister, the National Disability Network has proposed a concise technical amendment in that letter to you. Will you please use this amendment and fix your Bill C-4 to help persons with disabilities?

Mr. Champagne: Thank you, senator, because that is a very important question. I want to thank also the senator who asked that question before.

I can tell you in the analysis that was done by Finance Canada, you have to look at the net of these two. The tax reduction they will receive from the tax cut will outweigh the reduction in the value of the non-refundable credit that would be received. That is why I say the vast majority will be better off; we're very conscious of that. That is why we have looked at this issue carefully. As you said, we were seized of this issue that was mentioned.

The officials at Finance Canada have run with our tax policy people to make sure that what we have — as I said, I do not want to quote percentages because it is always dangerous — is the vast majority of the 4.5 million people receiving the disability credit who will be better off. If you look at the net of the two, they come out on the positive side of that. That is the analysis we have been conducting.

Senator Batters: With that analysis then, you have just said that 4.5 million people receive this Disability Tax Credit. What is the, as you say, very small percentage who will be negatively impacted? You must know what that number is.

Mr. Champagne: It is not even a matter of percentages. I can tell you — and I am very upfront with you, senator — I did ask that question very pointedly to the officials. You would have to be in a very unique tax position in order not to benefit from the measures when you combine them together. I can have the officials respond to that if you want a more fulsome answer, because we looked at that with our tax policy colleagues. You would have to be in this unique situation that you would have more tax credit that would outweigh that. That would be a unique circumstance.

If you want, I can ask the officials. We have the experts with me. If the expert wants to take the stand, we are more than happy to answer that question, if you want. I am happy. It is up to you, senator, or up to the chair.

Senator Batters: Do I have more time or not really? Apparently, I do not have more time. I would specifically like to know the answers given those examples that the National Disability Network provided in that letter, if they could specifically address those examples in written form, perhaps, that would be sent to us.

Mr. Champagne: Senator, we will respond to that letter and provide you a copy.

Senator M. Deacon: Good to see you again. Thank you for coming to our Red Chamber this evening.

My colleagues, as we move through, have asked the questions around privacy and housing and the carbon tax that I have been thinking about.

• (2020)

I would like to ask you about a few remaining issues on privacy and then something on defence versus tax cuts.

Having listened to some of the questions, as I was listening tonight, I wanted to come back to the issue of privacy laws relating to political parties.

You said that funnelling it into the tax bill was the first opportunity you had to do this. It's quite possible there's a gap in my knowledge, but I was wondering what was stopping you from introducing this as a stand-alone bill? For example, why couldn't Bill C-2 be an act to amend the Canada Elections Act in a stand-alone legislation? It seems to me that this might have been the earliest opportunity, and one that would seem, on its surface, somewhat better than the bundling present in this bill, which raises some questions about optics and transparency.

Mr. Champagne: Thank you very much, senator, for the question. I appreciate it.

We felt that this was the most expedient way to do it. But let's be clear: We're just clarifying the intent of the House back in 2000 and introducing improvements. So it's just to clarify the matter for the courts. One thing the courts always want to know is this: What is the intent of the legislature? We're very clearly now, indicating to all the courts in Canada that the intent of the House, which is responsible for making laws in this country, in 2000 was that it would be a unique regime governed under the Canada Elections Act.

So we're providing clarity to the courts and saying, back in 2000, that is what the House intended. In a sense, you want to do that quickly because predictability is something you want to provide to the legal system regarding the intent of the House.

In 2023 there were some provisions that stated that, but it seems that it was not sufficient. So now we took the opportunity to go back and say to the court, "This was the intent back in 2000 when this was adopted." So, therefore, you're providing legal certainty in the country.

At the same time, there are a number of improvements that I mentioned. You have to have a privacy officer and you have to have it in both languages, for example. It would have to be public. You would have penalties. You would be deregistered as a federal political party if you fail to do that. You're also subject to checks and balances under the Canada Elections Act.

The House wanted the privacy issues, with respect to federal political parties, to be under the Canada Elections Act. That was the will of the House back in 2000, and that's what you're saying. This is just to reflect on that, saying, "This was the intent back in 2000."

Senator Boehm: Good evening, minister. Thank you for being here. When you come near the end, most of the questions have already been asked.

I just wanted to probe you a little bit. You had a very successful finance ministers and central bank governors meeting in Banff. You came out with a communiqué saying that each country would look towards growth and measures as they pertain to them in particular.

You have set out a target for being the best in the G7. With the elements that are particularly in part 2 of Bill C-4, how do you see those measures positioning Canada within the G7 in terms of affordability, competitiveness for middle-class families and incentives for housing? I ask this because the other countries have these concerns as well.

Did you have a chance to speak to your colleagues about that, saying, “Hey, we’re ministers, politicians and we all have the same problems. How are you handling it? How should I handle it?”

What measure are you using? There is an OECD standard. Is there anything in the G7 that would suggest that these goals can somehow be measured and compared?

Mr. Champagne: That is a very good question. Thank you, senator. I learned from you how to run a good G7 meeting. Thank you for your advice.

Yes, it was successful. My message to my colleagues who are finance ministers and central bank governors was that we needed to get back to our core mission. What is the core mission of the G7 finance ministers and central bank governors? It is to restore growth and stability. This was the cardinal point I put on the table: to ensure we were going back to our core mission.

You are right: It is quite extraordinary to see the challenges we have been facing, particularly now that we are facing unjustified and illegal tariffs. If you look at the G7 economies, we are facing the same issues relating to affordability, housing, defence spending and the fiscal capacity of our colleagues. Everyone around the table is more limited; yet, at the same time, we are facing global issues of overcapacity and non-market practices that we need to tackle together.

One thing I was able to achieve, senator — and I think you would agree that you would always want to achieve it — was unity. The world is looking to the G7 to remain united, despite some differences pertaining to tariffs and other measures, which are making the situation more difficult.

We had Mathias Cormann, the Secretary General of the OECD; we had the President of the World Bank; and we had the Secretary General of the IMF.

When you compare Canada to many of the G7 economies, we are in a good position. For example, our debt-to-GDP ratio and the kinds of fiscal measures we’ve been taking, a number of which the OECD has mentioned. However, having said that, I’m very much informed by the best practices adopted by a number of

G7 countries to make our country the most resilient and best economy in the G7. The unity of the G7 is more important than ever now, as we need to tackle global issues together.

I was inspired by your question.

Senator Duncan: Thank you, minister, for being here. My question deserves a short answer, but I have to give you the explanation first.

The Yukon, Northwest Territories and Nunavut are acts of Parliament. Our place at the first ministers’ table has only occurred in my lifetime, and from the back of the room to the first ministers’ table has been quite a journey.

Section 21 of Bill C-5 may, by order, amend Schedule 2 to add or delete an act of Parliament. Senator Cardozo referred to it earlier today.

I am looking for reassurance, because you spoke earlier about how courts look at the intent of legislation. I would like a public assurance, on the record, that the government has no intention of including any of the three territorial acts on that.

However, Bill C-5 also discusses at length — and we discussed at length in chamber — consultation.

Bill C-4 references in clause 42 harmonized tax with the provinces. Tax-sharing arrangements exist in the Yukon with Yukon First Nations. The government of Yukon, First Nation governments and the Government of Canada are collaborating on a number of housing projects. I’m looking for your reassurance — perhaps from officials — that there have been thorough consultations with Yukon and that there is no unintended consequences in Bill C-4 to the arrangements on these tax-sharing arrangements or impact on the arrangements with the Yukon First Nations.

Mr. Champagne: Thank you, senator. I will turn to the official just for the very specific question. I want to make sure that I’m thorough.

I can tell you one thing I have done, senator, is that I host meetings of finance ministers from the provinces and territories on a regular basis. I’m grateful for the contribution of the Yukon and all the territories. Actually, often even in our finance ministers’ meeting it’s the premiers of the territories who are coming. So just to tell you, we’re working hand in hand.

We consult with them regularly. I have calls with them and the Governor of the Bank of Canada to give an update about the state of our economy. We are working hand in hand with them.

But to your specific questions, I may turn to the officials just to be as clear as possible on the record to this point.

You mentioned, as well, Bill C-5. Are you referring to Bill C-5 or Bill C-4? I ask because I'm looking at the chair looking at me as well.

[Translation]

Ms. Lavoie: Unfortunately, I have to tell you that we can't hear too well here in the back. I propose that we get back to you in writing, to make sure we understand the question.

[English]

Mr. Champagne: I think the official was not able to hear the question. We had 30 seconds and we're probably now at 5 seconds.

Senator, you know how much I respect your work. If you send me a letter, the official will get back to you, because it's more technical in nature, and we want to make sure we answer you very clearly on the record.

• (2030)

The Chair: Thank you, minister.

Senator Wallin: Thank you, minister. This afternoon we've spent time on Bill C-5, and many of us were concerned about its extraordinary powers to override laws and, in fact, the role of Parliament itself. However, I want to come back to Part 4 of Bill C-4 and talk about the powers that, in a sense, you are granting to political parties that the private sector has no equivalent freedom or protection from the privacy rules.

One of the experts on this issue described what's going on as a bit of an arms race amongst political parties to collect data and begin all the micro-targeting of voters. Of course, there are conflicting views. I think, as Senator Simons put it, it's the fox in the chicken house. We can understand, of course, why you would all vote for this, but it doesn't necessarily improve — in fact, I think it distorts — democratic participation when you protect the political parties and allow them to micro-target and use that data in such a specific way.

Mr. Champagne: I respect the opinion that you quoted, perhaps from some expert, but, again, let's go back to the basics. We're just reaffirming the intent of the House back in 2000 in this bill. We're very clear to the courts —

Senator Wallin: In fairness, the technology has changed dramatically since the year 2000, as well as the ability to collect this data.

Mr. Champagne: I appreciate that, but the House had a chance in 2023 and now in 2025 to vote unanimously, senator, to clarify that there would be one national regime as opposed to a patchwork of provincial regimes. I think you will find the bill requires a published privacy policy: how it will protect Canadians and what information will be collected. It needs to be public. Now there are administrative monetary penalties. A party can be deregistered or delisted. I think you will see that as an improvement compared to where we are today.

These measures, for example, will have to be in two official languages. I think we all want the privacy policy to be public and in both official languages of Canada.

Senator Wallin: Let me ask you more on that because, in fact, some of the principles reflected in the privacy legislation are really not reflected here. Having a political operative knock on your door to ask you questions during a campaign is considered and deemed consent. Limiting the collection of data would be almost impossible because, again, those same political operatives at the door are not only asking you questions but also noting what car is in your driveway and how many children are in your living room or around the door. This data may or may not be accurate.

If voters, or citizens in this case, don't understand what has been collected, how do they know what to ask about? How do they put that forward? There's very little recourse for the citizen. When we deal with the private sector, they are obliged by law to follow the rules, and we can ask them. This is a much more difficult situation.

Mr. Champagne: I would go back to my previous statement. The situation you may have now or that you want to avoid is that of a patchwork of provincial regimes that apply to federal political parties. If you go back to the intent of the House, it was to have at least one uniform regime. That's why we saw unanimous support from everyone.

We need to have a national framework. We need to improve it. This is an improvement on what's happening today. I think the fundamental question is if we prefer the one national regime as opposed to a patchwork of provincial regimes that would govern privacy laws in the context of federal elections.

I mentioned to the senator before that when we tried to amend the Personal Information Protection and Electronic Documents Act, or PIPEDA, one of the things we heard during our consultations was that people really wanted to have one national standard because that's the only way you can really operate.

It was the same thing when I was trying to pass the bill related to AI. If we want to have 1 economy and not 13, we need to have federal standards. When it comes to federal elections, I think the House has spoken three times on it being under the Elections Canada Act. I think the will of the people has been expressed clearly, and in this case even unanimously, that we believe it's better to have one national system as opposed to a patchwork of provincial legislation.

Senator Wallin: I will agree that the will of the political parties has been reflected in the vote in House of Commons. Thank you, minister.

Senator Tannas: Thank you for being here, minister. I'm all that stands between you and your escape, so let me get to two requests that I have.

Number one is with respect to the GST for first-time home buyers. There are really two components when a first-time home buyer is buying a house. The first is if they have enough income between the two people or a single person to make the payments and satisfy Canada Mortgage and Housing Corporation, or CMHC, and the bank? The other is scraping up the down payment, and that is a substantial issue for many young Canadians.

I think it would be great if you would consider finding a way in the regulations around this to allow young Canadians who will be making this purchase to actually assign that rebate as part of their down payment. Rather than lowering the price by an amount that won't be material for them to make the payments, allow them to keep the price higher but take that credit as part of their down payment. Would you consider that, minister?

Mr. Champagne: Senator, thank you for that. The answer is that we will look into that. I heard there's a possibility of assignment. There are different ways to do it because money is fungible. We heard from some offices — it might have even been yours — and some people in the industry about the possibility of assignment to facilitate that.

Senator, first of all, thank you for raising the question. Second, yes, we will look into that.

Senator Tannas: Let's have the CMHC play ball with that, and that, again, will come back to you. Thank you.

For the second request, we've talked a lot about Part 4 in this bill. You've known about this issue since May 2024, so 13 months ago was when the B.C. Supreme Court determined that the previous attempt wasn't retroactive. It wasn't like you found out yesterday and this is your first chance. The previous government didn't deal with it.

I would ask if you would consider in bills like this that are tax bills — they're confidence bills — when you have a difficult issue that you really don't want to talk about, that we stop this idea of putting them into bills that have this shield that don't allow us to sever them out and study them properly and bring the light to them or amend them. We have a tradition and a respect for your chamber that we don't mess with money bills, and this is a money bill. If it wasn't for time and if it wasn't for the fact that it was shielded in this bill, we would be looking very closely at spending a lot more time on this issue for the benefit of Canadians than we are being afforded now. There will be other opportunities, other bits and pieces that get thrown into budget implementation acts, or BIAs, that don't need to be.

Would you consider starting something, a new tradition, where items that aren't part of a budget don't find their way into a budget implementation act where we have our hands tied behind our backs when doing what Canadians want us to? Would you consider that, sir?

Some Hon. Senators: Hear, hear.

Mr. Champagne: Thank you, senator, for your comment on that.

I was comfortable with that provision in this bill because it reflects the intent from 2000. We're not changing the law. We're just telling all the courts in this country what the intent of the House was back in 2000. It made me comfortable that we're merely clarifying the intent of the House and the fact that it had unanimous support, which is not something political but it reflects the views of the House. I think this has been expressed two times already. I think the court will take notice. As a lawyer, I would think that, after the House has spoken three times, the court would take notice of the intention of the bill.

• (2040)

To your broader question, senator, I hear you. What I can tell you is that I will always take that into consideration, and I'm grateful for your comments and your thoughtful analysis of that, senator. I am here to do the best I can — like you — for Canadians. We all respond to the same people in this land, and it's to serve Canadians in the best possible way. That's what I do, and that's what you do. That's what the people of this country expect from all of us.

The Chair: Honourable senators, the committee has been sitting for 95 minutes. In conformity with the order of the Senate, I am obliged to interrupt proceedings so that the committee can report to the Senate.

Minister, on behalf of all senators, thank you for joining us today to assist us with our work on this bill. I would also like to thank your officials.

Hon. Senators: Hear, hear!

The Chair: Honourable senators, is it agreed that the committee rise and I report to the Senate that the witness has been heard?

Hon. Senators: Agreed.

[Translation]

The Hon. the Speaker: Honourable senators, the sitting of the Senate is resumed.

[English]

REPORT OF THE COMMITTEE OF THE WHOLE

Hon. René Cormier: Honourable senators, the Committee of the Whole, authorized by the Senate to examine the subject matter of Bill C-4, An Act respecting certain affordability measures for Canadians and another measure, reports that it has heard from the said witness.

DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND DEVELOPMENT ACT

BILL TO AMEND—THIRD READING

Leave having been given to revert to Other Business, Commons Public Bills, Third Reading, Order No. 1:

Hon. Pierre J. Dalfond moved third reading of Bill C-202, An Act to amend the Department of Foreign Affairs, Trade and Development Act (supply management).

Hon. Paula Simons: Honourable senators, I rise today to speak to Bill C-202, An Act to amend the Department of Foreign Affairs, Trade and Development Act (supply management), which is effectively identical to Bill C-282 from the last Parliament.

On November 30, 2023, on the fifth anniversary of the signing of the Canada-United States-Mexico Agreement, or CUSMA, I rose in this chamber to lay out the problems I saw with Bill C-282. That November, Joe Biden was still the President, but Donald Trump was rising in the polls, and against this backdrop, I cautioned against endorsing Bill C-282. I'd like to quote briefly from that speech:

... the Minister of Export Promotion, International Trade and Economic Development would be forbidden to make any commitment on behalf of the Government of Canada by international trade treaty or agreement that would have the effect of increasing the tariff rate quota applicable to dairy products, poultry or eggs or reducing the tariff applicable to those goods when they are imported in excess of the quota. The effect of this would be to make our dairy, poultry and egg sectors untouchable and supply management inalienable. It would not only hamstring and hamper the ability of our negotiators to get the best possible deal for Canadian exporters and importers at CUSMA, but it would undercut Canada's position as an international champion of free trade around the world and undermine our ability to fight protectionist policies that discriminate against us. This will hurt us not just in trade negotiations with the United States and Mexico, but with all our future negotiations and trade deals with Europe, Asia, Latin America and the Indo-Pacific.

Honourable senators, much has changed since November of 2023. Gone forever is any Canadian idealism about the protective value of CUSMA. The President's trade policy — if I can dignify it with such a term — is a mixture of malice and caprice, with tariffs coming and going and changing with every whim and

perceived slight. I had naively hoped that if we acted in good faith and went into CUSMA renegotiations with clean hands and room to manoeuvre, we could emerge with a fair outcome for Canada.

But as we've seen, there is no effective way to placate or appease President Trump. Passing this bill would no doubt be a provocative move, but then he is so easily provoked — sometimes by the most imaginary of causes — that tiptoeing around him seems futile.

There is certainly a strong argument to be made that with this mercurial man upending all the norms of international trade negotiations, we should protect Canadian agricultural producers in whatever ways we can.

Speaking personally, I've never been less inclined to buy an American yogurt cup or chicken nugget. That's not just because of my "elbows up, don't buy American" patriotic pride. It's because the United States' recent relaxation of its rules around food inspection and public health should give us all pause.

Avian influenza is running rampant in the U.S. poultry sector. It has jumped the species barrier to infect the American dairy herd all across that country.

In the wake of the mad cow crisis here when bovine spongiform encephalopathy was found in Alberta, Canada banned the practice of feeding animal products to cows. But in the United States, it's now common practice to feed used poultry litter to cattle as a cheap source of protein and nitrogen — a possible reason American dairy cows are falling ill with a disease that wasn't supposed to infect them and, thankfully, has not reached our dairy herd.

In the United States, dozens of farm workers have also fallen ill with bird flu, otherwise known as H5N1.

Avian influenza is not the only issue. Under the leadership — if I may call it that — of Robert F. Kennedy, Jr., food inspectors have been laid off in the thousands, as have many of the comms staff who were tasked with letting Americans know about outbreaks of E. coli and listeria. This spring, the USDA's Food Safety and Inspection Service actually scrapped a plan to monitor salmonella levels in raw turkey and chicken, and it has also postponed plans to sample breaded ready-to-cook poultry products like nuggets and chicken Kiev to check for salmonella.

Secretary Kennedy, who quite literally does not believe in germ theory nor in pasteurization, wants his department to pivot instead to rooting out what he calls "toxins," which he defines as everything from food dyes to fluoride to canola oil, rather than protecting Americans and people who buy American food products from bacterial contamination.

If we can no longer trust American food exports to be safe, the government has a greater responsibility than ever to protect Canadian consumers from food-borne diseases.

And so, yes, Bill C-202 hits differently now than Bill C-282 hit in 2023. That's no doubt why this bill flew through the House of Commons with no committee study and unanimous consent.

But it is that very speed that leaves me uneasy.

Yes, Bill C-282 was indeed studied at length — one might say exhaustively — in the Senate last year. Witnesses, both pro and con, were given ample hearing. We did our job of sober second thought and gave the full benefit of our advice to the other place.

And, yes, the new Commons has made its will crystal clear.

And yet having spent the last three years as Deputy Chair of the Standing Senate Committee on Agriculture and Forestry, I think I have some responsibility to put the concerns of agricultural producers on the record. I proudly represent Alberta and Albertans in the Senate, and since every single Alberta MP, including every single Conservative MP, voted in favour of this bill, I feel it falls to me to step up and share with this chamber and this country the concerns of Alberta's cattle producers, pulse farmers and grain and canola growers, a number of whom reached out to me this week.

Here's how Greg Northey, the President of the Canadian Agri-Food Trade Alliance, described the bill:

As with previous iterations of this bill, C-202 would undermine Canada's agri-food sector, damage our trade relationships, and harm the thousands of farmers, ranchers, processors, and agri-food exporters who rely on open access to global markets to make a living

Tyler Fulton, the President of the Canadian Cattle Association, put it this way in a statement released yesterday:

Bill C-202 is not a one-off trade policy and is not about supply management — it will be incredibly difficult to reverse the momentum and damage to our global reputation and our trade opportunities. . . . Unfortunately, this Bill will not only tie the hands of our trade negotiators, but it is fracturing rural communities, and pitting Canadian farmers against Canadian farmers.

• (2050)

Just this afternoon, I heard from Shane Strydhorst, Chair of the Alberta Pulse Growers. He wrote to me:

Pulse growers export the vast majority of what we produce with over 85% of Canadian pulses sold into global markets. The decision to support a bill that undermines the rules-based trading system we depend on raises serious concerns about Canada's ability to negotiate meaningful deals for our sector.

My friends, with protectionism running rampant, when tariff and non-tariff trade barriers are popping up everywhere, Canada should not be giving in to populous protectionism. We should set an example as world leaders by taking down barriers, not building them higher.

Remember, Bill C-202 doesn't just apply to the United States. It has never been more important for Canada to build strong trading relationships with countries other than America. We may want to send a signal of defiance to Donald Trump, but what messages are we sending to our global economic allies? How, for example, do we strike a new trade deal with the United Kingdom with British cheese off the table? Our arteries may need to be protected from clotted cream, but do our farmers need that?

Scott Keller farms barley, wheat, peas and fava beans in New Norway, Alberta. He wrote this to me just this morning:

In an increasingly volatile trade environment, Canada should be doubling down on market access, diversification and diplomacy, not signalling a retreat into protectionism.

Finally, I worry about what Bill C-202 means for national unity. The bill, of course, is a private member's bill from the Bloc Québécois, which speaks, powerfully and effectively, for Quebec's dairy farmers, and which advocates for the separation of Quebec from the rest of Canada.

It does seem strange to allow a separatist party to set Canada's national trade policy to such an extent, and at the expense of Western Canadian producers and agricultural exporters. Separatist rhetoric in my own province of Alberta is, sadly, growing louder and more strident, with a small but zealous group of hardcore separatists exercising a disproportionate influence over provincial politics, and with some provincial leaders who ought to know better pandering to those separatist agitators for their own strategic reasons. It would be bitterly ironic indeed if, in a bid to keep Quebec separatists happy, we ended up playing right into the hands of the separatist lobby in Alberta and Saskatchewan.

At a time when we must stand together as Canadians against the economic and political threats posed by the Trump government, we must be careful about the risks of playing the interests of one part of the country off against another, especially in light of what might be the hidden fatal flaw in this bill. The text of Bill C-202 makes a truly awkward amendment to the Department of Foreign Affairs, Trade and Development Act, shoehorning this reference to supply-management into the broad section that defines the powers, duties and functions of the minister, thereby tying his or her ministerial hands. But I leave you with this provocative question: Does that minister actually make trade agreements, or is that instead a Crown prerogative? Is it possible this whole bill is merely symbolic and not, in fact, binding on the executive? If so, doesn't that make playing one region off against another even more mischievous and dangerous?

Still, at the end of the day, we are not elected. We are appointed, and we are not accountable to the voters of Canada. The House has spoken clearly with one united voice, and our parliamentary traditions and conventions ask us to defer to them.

Nonetheless, I am grateful to have been allowed the opportunity to give this speech tonight to remind us all and to remind Canadians that we, too, have a voice and a responsibility to use it.

Thank you, *hiy hiy*.

Hon. Marty Deacon: Senator Simons, will you take a question?

Senator Simons: I will.

Senator M. Deacon: It's important, and it's important that you spoke. I greatly appreciate that this evening.

During our study of this bill's predecessor, Bill C-282, as you mentioned, our committee heard that, far from protecting our supply-managed sectors, this legislation could actually paint a big red bullseye on them.

When I think about our upcoming and continuing negotiations with the United States and the current administrative approach to the rule of law, I think about that. Do you think that our American counterparts will appreciate this law if it's passed and simply move on from our supply management sectors when we tell them we cannot legally discuss this?

Senator Simons: I only wish I had the capacity to predict what Donald Trump and his government will do. I think the answer to that is impossible to know. Given the President's capacity to perceive malice where there is none, and to inject malice where none is required, I don't know that this is the most strategic move. But, again, it's not in our hands.

[Translation]

Hon. Amina Gerba: Honourable senators, I rise with great enthusiasm, as you can imagine, to support the passage of Bill C-202, An Act to amend the Department of Foreign Affairs, Trade and Development Act (supply management).

This bill, which passed unanimously and without debate in the other place on June 5, sends a very clear message that supply management is a fundamental policy that the Canadian Parliament wishes to fully and definitively protect. This is not merely a symbolic gesture. It is a clear legislative commitment to prevent the Minister of Foreign Affairs from compromising the pillars of our supply management system in international trade negotiations. This system supports thousands of farming businesses, keeps prices stable and guarantees our country's food sovereignty.

Honourable senators, this bill is identical to Bill C-282, which passed in the other place on June 21, 2023, and which I had the honour and privilege of sponsoring at the time. Bill C-282 marked a first in this chamber, as both the critic, Senator Harder, and I were members of the Progressive Senate Group. This unprecedented situation in no way compromised our group's cohesion. On the contrary, it enriched our debates and highlighted the vitality of our democracy.

[English]

Honourable colleagues, although Bill C-282 died on the Order Paper following prorogation, the remarkable work carried out by the Standing Senate Committee on Foreign Affairs and International Trade remains of inestimable value.

[Translation]

During the seven meetings devoted to the objective study of Bill C-282, the Standing Committee on Foreign Affairs and International Trade heard from dozens of witnesses, both for and against the bill. Their insightful and contrasting testimony not only fuelled the debates, but they also reinforced the legitimacy of this initiative. They allowed the honourable members of this chamber to develop an informed opinion on this important Canadian policy that goes back more than 50 years.

Today we have an opportunity — a duty, even — to continue moving forward. Our colleagues in the other place spoke with a single voice. They recognized the urgent need to take action in a context of growing trade tensions, particularly with the United States.

[English]

Elected members of Parliament chose to protect our dairy, poultry and egg producers by providing them with a stable and predictable legal framework.

• (2100)

[Translation]

Honourable senators, the supply management policy is vital to all of Canada, and even more so for my province, Quebec, because it guarantees the stability of our agricultural sectors and the food security of our communities.

It is especially important to Quebec. That is exactly why I was proud to sponsor Bill C-282 and why I fully support Bill C-202.

[English]

Honourable colleagues, it is imperative that we respect the will of the elected House, recognize the work already done and completed in this chamber and act decisively to pass this bill without further delay.

[Translation]

By voting in favour of Bill C-202, we are sending a clear message that the Senate of Canada is listening to the people and to farmers and cares about protecting Canadians' food security.

Hon. Andrew Cardozo: Could I ask you a question, senator?

Senator Gerba: Yes, of course.

Senator Cardozo: I'm going to ask a question about how this debate got started. When you were sponsoring this bill last year, it wasn't very popular.

[English]

You were leading the debate, and it was not very popular at that time. Today, after the recent election, all of the political parties are in favour of it. We understand that it passed in the House unanimously. What has changed from a few years ago to now?

[Translation]

Senator Gerba: Thank you very much for your question, Senator Cardozo.

Basically, the entire context has changed. In fact, we had anticipated that the previous version of this bill would have a significant impact if the new president, President Donald Trump, returned to power, and he did. That is the context that has changed. He has made a lot of demands. One of the things that this President has insisted should be on the negotiating table is supply management. Fortunately, our Prime Minister decided to stand his ground and promised us, in his campaign platform, that he would protect supply management. He promised this to Quebeckers and Canadians, and that is why this bill was passed in the other place without debate.

[English]

Hon. Mary Coyle: Honourable senators, I rise today on the unceded lands of the Algonquin Anishinaabeg to speak briefly to Bill C-202, An Act to amend the Department of Foreign Affairs, Trade and Development Act (supply management).

I will draw largely upon my report stage speech on Bill C-282, the identical bill from the Forty-fourth Parliament. As my colleague Senator Gerba did before me, I want to put some of the work of the Foreign Affairs Committee on the record today as we will not have a chance to review this bill.

Today, as we consider private member's Bill C-202, we do so with respect for Canada's supply-managed sectors. These farmers are our neighbours, and they provide us with dependable, good-quality food. We also do so with respect and consideration for other agricultural sectors and with respect and consideration for Canada's non-agricultural businesses.

Colleagues, our Foreign Affairs and International Trade Committee studied this bill's predecessor, Bill C-282, with rigour, balance and independence. We looked at the potential impacts of this bill on multiple sectors of our economy and

Canada's overall prosperity as well as the long-term implications of the bill for our international trade policies and negotiation practices.

The Foreign Affairs and International Trade Committee held nine committee meetings and heard testimony from 52 witnesses from a broad range of voices: former trade negotiators, trade experts, departmental officials and representatives from both supply-managed and non-supply-managed agricultural sectors. We found that while the bill may have the intention of bringing stability and the desired certainty to supply-managed sectors, it comes with real risks to Canada's negotiating power and our economy, and it exacerbates the already growing uncertainty in our other industries, agricultural and non-agricultural. That is still there.

During our study, Jonathan Fried, Canada's former ambassador to the World Trade Organization, described the bill as a legislative straitjacket, warning that such a rigid legislative mandate would limit Canada's strategic options by ruling out certain discussions before negotiations even began. We just heard Senator Simons refer to the effects of the Trump tariff threats to the issues of U.S. food safety and the potential impacts of this bill on Alberta farmers. Our committee heard testimony from other sectors, and we received a letter on October 31, 2024, from which I will quote briefly:

If enacted in its unamended state, Bill C-282 would legislatively handcuff Canada and its trade negotiators. . . . We ask senators to put the collective interests of all Canadian industries first by rejecting Bill C-282 and to protect our future economic prosperity.

This letter was signed by Alberta Beef Producers, Alberta Canola Producers Commission, Alberta Cattle Feeders' Association, Alberta Chambers of Commerce, Alberta Grains, Alberta Pulse Growers, BC Association of Cattle Feeders, BC Grain Producers Association, Beef Farmers of Ontario, BC Cattlemen's Association, Canadian Agri-Food Trade Alliance, Canadian Canola Growers Association, Canadian Cattle Association, Canadian Oilseed Processors Association, Canadian Pork Council, Canadian Sugar Institute, Canola Council of Canada, Cereals Canada, CropLife Canada, Fertilizer Canada, Grain Farmers of Ontario, Grain Growers of Canada, Greater Vancouver Board of Trade, Pulse Canada, Manitoba Beef Producers, Manitoba Canola Growers, Manitoba Crop Alliance, Manitoba Pulse and Soybean Growers, National Cattle Feeders' Association, New Brunswick Cattle Producers, Nova Scotia Cattle Producers, Ontario Bean Growers, Ontario Greenhouse Vegetable Growers, Prairie Oat Growers Association, Prince Edward Island Cattle Producers, Saskatchewan Cattle Association, Saskatchewan Heavy Construction Association, Saskatchewan Pulse Growers, Saskatchewan Trucking Association, SaskOilseeds, Sask Wheat, Soy Canada and Wheat Growers Association.

Former deputy prime minister and former minister of foreign affairs John Manley, along with other witnesses, intimated to our committee that the bill is like putting a bull's eye on the supply-managed sectors or waving a red flag, signalling to our trading counterparts that this is where Canada is sensitive and perhaps inadvertently bringing them into the spotlight during negotiations.

[Senator Gerba]

In light of these risks, our committee proposed and passed an amendment to the bill. I will not get into that, as it's no longer relevant at this time.

The Senate's work on this bill was not completed due to prorogation, as you heard from Senator Gerba. Colleagues, I want to underline, sincerely, that the Standing Senate Committee on Foreign Affairs and International Trade conducted its review of this previous bill in a fair, respectful, thorough, intelligent, independent and even-handed way.

Colleagues, for those who are interested, I encourage you to review the committee's transcripts and the Senate debates on Bill C-282 in Hansard.

• (2110)

We all realize that the Liberal Party promised to protect the supply-managed sector in its electoral platform. This private member's bill, Bill C-202, is a reflection of this. The bill was passed unanimously in the other place, and the Senate will no doubt defer to the elected house.

Colleagues, I want to thank you sincerely for allowing me to put some of our Foreign Affairs Committee's related and relevant past work regarding this important matter of trade negotiations on the Senate record.

Wela'lioq, 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 third time and passed, on division.)

(At 9:12 p.m., the Senate was continued until tomorrow at 2 p.m.)

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