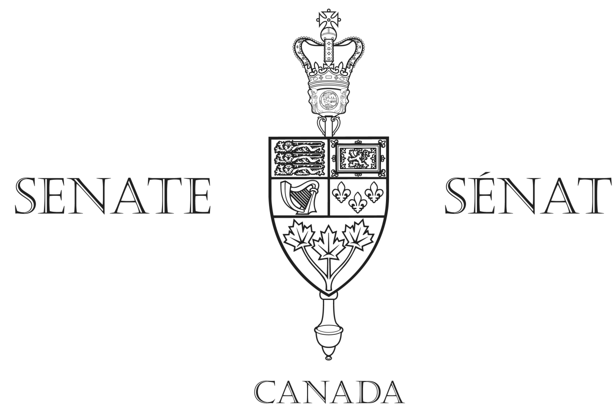

DEBATES OF THE SENATE

1st SESSION 45th PARLIAMENT VOLUME 154 NUMBER 84

OFFICIAL REPORT
(HANSARD)

Tuesday, June 16, 2026

The Honourable RAYMONDE GAGNÉ,
Speaker

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

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THE SENATE

Tuesday, June 16, 2026

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

Prayers.

THE SENATE

TRIBUTE TO DEPARTING PAGE

The Hon. the Speaker: Honourable senators, Mirko Onufrak of Ottawa, Ontario, will be graduating with a Bachelor of Social Sciences in Political Science degree from the University of Ottawa this fall.

Hon. Senators: Hear, hear!

The Hon. the Speaker: He is grateful for the opportunity to be a Senate page, where he was able to witness parliamentary democracy first-hand and expand his knowledge of parliamentary procedure. In the future, Mirko aspires to study law and to continue working on Parliament Hill.

[*Translation*]

He would like to thank Mr. Peters, John, Charlotte and Noah, his fellow pages, the Office of the Usher of the Black Rod and the Senate Administration, as well as the senators with whom he has worked and who have made this an unforgettable experience.

Thank you very much, Mirko.

Hon. Senators: Hear, hear!

[*English*]

SENATORS' STATEMENTS

THE LATE ERIC WINDELER

Hon. Katherine Hay: Honourable senators, I rise today because, in May, the young people in Canada gained an angel. In May, Canada lost a trailblazer, a relentless advocate for youth and mental health and one of the finest human beings I have known: Eric Windeler, founder and former CEO of Jack.org. Eric and his wife and partner, Sandra, along with children Ben and Julia, transformed an enormous tragedy into a game-changing, life-saving movement for youth. When Jack — Eric and Sandra's son and Ben and Julia's brother — died by suicide in 2010, Eric mobilized.

Eric knew intimately that suicide was and is the second leading cause of death for young people. He understood that youth in Canada needed to begin to talk about it and needed support. He understood that parents, schools and communities also needed to talk and needed support.

Eric began the Jack Project at an old extra desk at Kids Help Phone's old offices. He did not believe in doing it alone. He was determined, kind, generous and inclusive. He had a vision, which was all about hope, that no young person should struggle alone.

The Jack Project quickly outgrew the "project" part and came into its own. Jack.org, a national organization operating from coast to coast to coast, is the largest network of young people supporting young people. It provides a safe place with peers, professional support, advocacy, Jack Talks, Jack Chapters, Jack Summits, the Be There Certificate and edHUB, where youth can thrive with mental wellness and hope.

Many years ago, I was literally two weeks into my job at Kids Help Phone, and what the heck did I know? The phone rang. It was Eric, a new partner, friend and mentor. He called; that's what he did. He brought people in and together because he believed we are always stronger when we work together. He helped me become a better CEO and a better advocate for young people. All of us in his fan club are better for having known him. He did it with love.

"What would Eric do?" is a good question to ask, and he would likely say, "Let's get going. We have just got started."

Eric made Canada better. Eric gave Canada Jack.org. Thank you, dear Eric. I promise we will not stop. Please, dear colleagues, join me in honouring Eric Windeler. Thank you. *Meegwetch*.

Hon. Senators: Hear, hear.

VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of the Honourable Michelle R. Brass, judge at the Provincial Court of Saskatchewan. She is the guest of the Honourable Senator Boyer.

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

Hon. Senators: Hear, hear!

THE LATE GREGORY BRASS

Hon. Yvonne Boyer: Honourable senators, I rise today to honour the life of Gregory Brass, a proud member of Peepeekisis Cree First Nation, a Survivor, a father, a public servant and a man whose legacy lives on through the generations he inspired.

Mr. Brass was born in September 1939 in Fort Qu'Appelle, Saskatchewan. Like so many First Nations children of his generation, he was forced to attend residential school. His daughter, Judge Michelle Brass, wrote that residential school ". . . was a dark time for him . . ." when he suffered ". . . extreme

abuse of all kinds . . .” endured separation from family — including his beloved sisters — and experienced “. . . a lonesomeness that only home filled.”

Yet Gregory Brass refused to let those experiences define the entirety of his life.

He rebuilt his life and his family. He joined the RCMP at a time when Indigenous officers faced significant barriers and discrimination. As his daughter recalled:

> It was not easy for First Nation RCMP members in the 1970s when he was faced with blatant workplace racism.

Perhaps his greatest gift was the faith he placed in his children. Judge Brass wrote that “. . . planted the seeds of knowledge . . .” and showed them “. . . that careers were possible.” He constantly asked his children what they wanted to be when they grew up, planting seeds of ideas about their futures and encouraging them to dream beyond the limits others may have imposed upon them.

He also nurtured family connections. He made sure his children knew their grandparents, aunts, uncles, cousins and community.

I worked with Mr. Brass when I was a director of justice for the Saskatoon Tribal Council and he was a director of justice for the File Hills Qu’Appelle Tribal Council in Treaty 4 territory. Our jobs were to bring restorative justice to help keep children out of jail. Greg was so well respected and revered by his colleagues and the community. He provided good, common-sense advice moulded by his years of experience.

Today, we remember a man who endured hardship, embraced healing, served his community and devoted himself to his family.

• (1410)

Through his perseverance, he transformed pain into possibility and ensured that the generations that followed would have opportunities he himself was denied.

On behalf of the Senate of Canada, I offer condolences to the Brass family and all who loved him. Rest in peace, Mr. Gregory Brass.

Meegwetch. Thank you.

Hon. Senators: Hear, hear.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Karen Cumberland and her team from the Canadian Centre on Substance Use and Addiction. They are the guests of the Honourable Senator Burey.

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

Hon. Senators: Hear, hear!

[*Translation*]

CANADIAN CENTRE ON SUBSTANCE USE AND ADDICTION

Hon. Sharon Burey: Honourable senators, May 4 to 10, 2026, was Mental Health Week in Canada. I’m very honoured to celebrate the Canadian Centre on Substance Use and Addiction’s *Small Cities Playbook for Action*, which was released on May 26, 2026.

These are the first municipally led, integrated, evidence-based standards, featuring more than 50 practical strategies and policies for prevention and early intervention, harm reduction and outreach, treatment and recovery, community and cultural supports, housing and employment supports, and policing and public safety. These standards pave the way for a whole-of-government and whole-of-society approach. This is a first in Canada.

[*English*]

For over three decades, the Canadian Centre on Substance Use and Addiction, or CCSA, has been at the forefront of defining Canada’s approach to substance use through evidence, policy and national leadership. In April 2025, I had the opportunity to take part in the Municipal Leaders Table in Lethbridge, Alberta, where the municipal leaders advanced the next phase of CCSA’s Small Cities Initiative, which built on the summit in Timmins, Ontario, in 2024.

Colleagues, as you know, there can be no true physical health without mental health. I would like to highlight some of the other important initiatives that are being undertaken federally and provincially to move us toward a more healthy, productive and sustainable society, especially for children and youth. This focus on upstream, community-driven solutions aligns not only with the mental health, substance use and addiction round table report released by my office, but also with a recent evidence-based paper released by the University of Calgary and the Graham Boeckh Foundation, *Building the Conditions for Child and Youth Thriving in Canada*. This paper sets the stage for sustained policies and programs grounded in research that can inform sound and impactful legislation.

In this spirit, I would like to highlight the Government of Canada’s recent investment of $30.3 million in child and youth mental health through the Youth Mental Health Fund announced by the Minister of Health, the Honourable Marjorie Michel, in May 2026.

Colleagues, this statement is one of hope and action, for when we come together, share our stories and work collaboratively across sectors, we unleash the power and potential of solutions not yet imagined. Canadians and our children are depending on us.

Thank you. *Meegwetch*.

Hon. Senators: Hear, hear.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of a delegation from the Commercial Vehicle Safety Alliance. They are the guests of the Honourable Senator Housakos.

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

Hon. Senators: Hear, hear!

COMMERCIAL VEHICLE SAFETY ALLIANCE

Hon. Leo Housakos (Leader of the Opposition): Honourable senators, today I have the pleasure of being joined in Ottawa by the leadership and members of the Commercial Vehicle Safety Alliance, or CVSA, a distinguished organization that represents a vital partnership spanning the entirety of our continent.

Its leadership and representatives are drawn from all 50 American states as well as 13 of our own Canadian provinces and territories. They bring together the dedicated men and women of law enforcement, public safety officials and industry leaders who work tirelessly every single day for the mutual benefit and security of North America.

The core purpose of the CVSA is simple but profound: To foster a culture of collaboration between government bodies and the private sector to improve road safety and to ultimately save lives. This is a remarkably admirable mission, one that touches the lives of every single Canadian who relies on our highway systems and one that deserves the unwavering support of lawmakers in both Canada and the United States.

As a recognized leader in North American commercial motor vehicle safety enforcement, the CVSA plays an indispensable role in our daily lives. Their efforts directly prevent catastrophic vehicle crashes, significantly lower roadside fatalities and protect the general public. Their impact goes even further by ensuring that safety standards are both rigorous and uniform. They do incredible work to keep our critical continental supply chains moving efficiently and safely.

The law enforcement officers, inspectors and public safety personnel that this alliance represents carry out their duties with the utmost integrity, professionalism and leadership. They are indeed the quiet guardians of our trade corridors.

Colleagues, the CVSA is a shining, practical example of how Canada and the United States can — and must — work hand in hand to solve complex, cross-border challenges. Their model reminds us that our security and economic prosperity are deeply intertwined.

Honourable colleagues, I invite you all, during our very busy, robust day of legislative work, to come to the senators' lounge between 4:30 and 6:00 p.m. and meet the leaders of this wonderful association and organization and, of course, raise a glass. I understand some good poutine is also being served.

I know, colleagues, that you will join me in thanking them for their dedication to our transportation safety and encouraging even greater dialogue, communication and joint cooperation between our two great nations in working on this important infrastructure.

Thank you very much.

An Hon. Senator: Hear, hear.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of a delegation from the Black Executives Network. They are the guests of the Honourable Senator Bernard.

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

Hon. Senators: Hear, hear!

NATIONAL BLOOD DONOR WEEK

Hon. John M. McNair: Honourable senators, I rise today to recognize National Blood Donor Week, which took place from June 8 to 14 of this year. Some of you will recall that I rose last year, and I'm putting you on notice now that I will rise next year as well.

This is the eighteenth year that we have marked National Blood Donor Week. Former senator Terry Mercer first introduced a bill to designate the second week in June every year as National Blood Donor Week back in 2005. The bill became law in 2008.

Former senator Ethel Cochrane spoke about our history of blood donation when speaking to the bill in 2005:

> Canada has a long history of supporting blood donation dating back to World War II. Between 1940 and 1945, the Blood for the Wounded program collected over 2.4 million units of blood from a population of just 11.5 million people. That was a per capita rate three to four times higher than the United States or Great Britain. Canadians made a contribution then, and they continue to contribute to this worthy cause today.

Colleagues, I could not agree more with those words.

Today, hundreds of thousands of donors generously donate to meet the needs of millions of Canadians. This includes more than 27,000 donors who have reached the remarkable milestone of 100 or more donations, more than 2,000 donors who have donated 250 times or more and 444 donors with more than 500 donations to their name.

These are extraordinary individuals, but they can't do it alone. Only 2% of eligible people in Canada are currently donating. This summer, Canadian Blood Services is encouraging more people to fill the chairs and experience the real connection, purpose and impact that comes with donating.

The engineering company Stantec has committed to donating $1 to Canadian Blood Services for every blood and plasma appointment booked and attended across Canada from June 1 to 30 with a contribution that could reach a maximum of $70,000. For those of you who haven't booked, there is still time.

We often do not have to look far to find somebody we know who has benefited from Canadian Blood Services' products of whole blood, plasma and platelets.

If you have donated before, we thank you. If you have not yet donated, now is a great time to start. I encourage everyone who is eligible to consider donating, and remember: "It's in you to give."

• (1420)

On behalf of the thousands of Canadians who have received Canadian Blood Services products, I have something to say to the donors: Thank you and *meegwetch* for giving the gift of life.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Angela Sheppard and her mother, Brenda Knight, five-term councillor serving Lacombe County, Alberta. They are the guests of the Honourable Senator Tannas.

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

Hon. Senators: Hear, hear!

[*Translation*]

SOCIÉTÉ DE L'ACADIE DU NOUVEAU-BRUNSWICK

Hon. René Cormier: Honorable senators, Article 1 of the International Covenant on Civil and Political Rights, which Canada duly signed in 1976, states:

> All peoples have the right of self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.

This aptly encapsulates the aspirations of the Acadian people, who have been present on this land for over 400 years, have faced centuries of discrimination, and are now seeking more recognition for contributing fully to building our nation.

On June 12, after a long struggle led by the Société de l'Acadie du Nouveau-Brunswick and its partners, the Supreme Court of Canada issued a landmark decision on the appointment of a unilingual Lieutenant Governor of New Brunswick.

At paragraph 111 of this decision, Chief Justice Wagner unequivocally wrote:

> The appointment of a unilingual person to this office has the effect of relegating the official language in which that person is not proficient to a secondary status and of undermining, through the symbolic effect of the appointment itself, the rights of the province's Francophones. This reality is all the clearer when one considers the history of the relationship between the Crown and the Francophone Acadian population. History attests to Canada's repeated transgressions against the Francophone minority of that province, which was deported and discriminated against and whose interests, culture and language were long neglected by state institutions.

On the very day the Supreme Court handed down its decision, the Société de l'Acadie du Nouveau-Brunswick was holding a general assembly to decide on its future. Intellectuals, researchers, political figures and ordinary citizens from different generations all gathered to articulate the priorities of the Acadian people for the next 10 years. The need to gain greater institutional autonomy, to achieve genuine equality and to build a cohesive society lay at the very heart of the debates at this major Acadian gathering.

Here is what sociologist Joseph Yvon Thériault so eloquently stated:

> In today's world, the nation remains the quintessential place where society is built, despite globalization. The nation creates that invisible yet indestructible social connection, that organic cohesion without which a society would wither and collapse into contemporary individualism. Acadia is seeking to build a society.
>
> Belonging to a community of language, culture and memory is not a confining boundary. It is the soil in which culture takes root. National identity is not a conceptual luxury. It is the fuel for our historical resilience, the true source of collective solidarity.

Honourable senators, I attended this event as a representative of the Acadian Association of Canadian Parliamentarians and as a senator from New Brunswick, and I was impressed by the civic maturity of the Acadians, who have to constantly turn to the courts to have their rights recognized. Despite these obstacles, they continue to build the future of the Acadian people with vigour, vision and determination.

Long live Acadia and long live Canada. I wish you all a good summer, esteemed colleagues.

[*English*]

ROUTINE PROCEEDINGS

JUSTICE

CHARTER STATEMENT IN RELATION TO BILL C-25—DOCUMENT TABLED

Hon. Patti LaBoucane-Benson (Acting Government Representative in the Senate): Honourable senators, I have the honour to table, in both official languages, a Charter Statement prepared by the Minister of Justice in relation to Bill C-25, An Act to amend the Canada Elections Act and to enact An Act to change the names of certain electoral districts, 2026, pursuant to the *Department of Justice Act*, R.S.C. 1985, c. J-2, sbs. 4.2(1).

[*Translation*]

STUDY ON THE REGULATORY FRAMEWORK OF PART VII OF THE OFFICIAL LANGUAGES ACT

THIRD REPORT OF OFFICIAL LANGUAGES COMMITTEE TABLED

Hon. Allister Surette: Honourable senators, I have the honour to table, in both official languages, the third report of the Standing Senate Committee on Official Languages, entitled *Making Substantive Equality a Reality: Towards Comprehensive, Robust and Ambitious Part VII Regulations* and I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

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

[*English*]

CRIMINAL CODE

BILL TO AMEND—TENTH REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE PRESENTED

Hon. Rosemary Moodie, Chair of the Standing Senate Committee on Social Affairs, Science and Technology, presented the following report:

Tuesday, June 16, 2026

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

TENTH REPORT

Your committee, to which was referred Bill C-225, An Act to amend the Criminal Code, has, in obedience to the order of reference of June 9, 2026, examined the said bill and now reports the same without amendment.

Respectfully submitted,

ROSEMARY MOODIE

Chair

BILL TO AMEND—THIRD READING

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

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

He said: Honourable senators, I would like to take a moment to explain why I am asking for leave today. I am requesting leave of the Senate today to have Bill C-225 — Bailey's Law — receive third reading in the chamber this afternoon. This is a very important and vital bill for thousands of victims of intimate partner violence and their families. I have presented the statistics of intimate partner violence throughout Canada in this chamber on numerous occasions. Time will not allow me to do that today, but one statistic stands out: A woman is killed every 48 hours in this country by her intimate partner — every 48 hours. Sadly, Bailey McCourt was one of those victims, killed with a hammer by her ex-husband. Her family, including her aunt Debbie Henderson, who joins us in the gallery today, has been advocating for Bill C-225.

The bill has the support of the government, the justice minister, the House of Commons and the Senate Social Affairs, Science and Technology Committee, as we just saw. My hope today is that we will have, in the Senate of Canada, a show of support for Bailey's Law and grant leave to have Bill C-225 receive third reading and have Bailey's Law cross the finish line. Thank you.

Hon. Senators: Hear, hear.

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

Hon. Senators: Agreed.

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

Hon. Senators: Question.

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

Hon. Senators: Agreed.

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

• (1430)

ORDERS OF THE DAY

BUSINESS OF THE SENATE

Hon. Patti LaBoucane-Benson (Legislative Deputy to the Government Representative in the Senate): Honourable senators, pursuant to rule 4-12(3), I would like to inform the Senate that as we proceed with Government Business, the Senate will address the items in the following order: second reading of Bill C-20, followed by Motion No. 83, followed by third reading of Bill C-32, followed by third reading of Bill C-33, followed by all remaining items in the order that they appear on the Order Paper.

BUILD CANADA HOMES BILL

SECOND READING

Hon. Toni Varone moved second reading of Bill C-20, An Act respecting the establishment of Build Canada Homes.

He said: Honourable senators, thank you for allowing me the opportunity to address you as the sponsor of Bill C-20, An Act respecting the establishment of Build Canada Homes.

I normally try to insert a sense of levity into my speeches, but regarding Bill C-20, I can find no humour. The lack of non-market housing for Canadians across our land is such a serious issue that it has consumed me from my very first day as a senator.

As we embark upon second reading debate of Bill C-20, I wish to express my unequivocal support for this critical piece of legislation. I am heartened to see the federal government has taken a proactive role in creating non-market housing during a time of such pressing need across Canada. The magnitude of this initiative is remarkable.

This bill emphasizes the essential role of housing, framing it not merely as a basic necessity but as a fundamental element of human dignity and social justice. Every Canadian is entitled to a secure and decent place to call home. For over a year, Prime Minister Carney has underscored the importance of the government's involvement in the creation of more affordable housing.

Bill C-20 represents a vital step toward achieving this objective effectively and swiftly. The legislation proposes the creation of the Crown corporation Build Canada Homes, aimed at transforming surplus government lands into thriving housing communities. Rather than establishing a new bureaucracy, this bill builds upon the efforts of the Canada Lands Company, a Crown corporation that I had the privilege to serve for the five years before my Senate appointment.

At Canada Lands Company, I chaired the real estate committee and the governance committee, gaining valuable insights into their extensive land holdings and proactive adherence to governance obligations. The Canada Lands Company operates two primary lines of business: attractions and real estate. The attractions line manages iconic Canadian landmarks, such as the CN Tower, Ripley's Aquarium, Downsview Park, the Old Port of Montreal and the Montreal Science Centre, while the real estate division focuses on the proactive management of surplus federal lands. When properties are deemed surplus by the respective government departments, the Canada Lands Company bids to acquire them at fair market value and assesses their redevelopment potential. As protocol, they conduct the necessary environmental remediation and engage with community stakeholders to devise thoughtful land-use plans, effectively reintegrating those lands into Canadian society.

It is crucial to point out that their mandate primarily centred around the responsible resale of land to builders rather than direct housing construction.

The Canada Lands Company is a beacon of thoughtful duty to consult with Indigenous stakeholders throughout all its land holdings. Canada Lands has forged some of the most successful partnerships with Indigenous groups across Canada.

With the establishment of Build Canada Homes, Bill C-20 will integrate the land-management capabilities of the Canada Lands Company into this new Crown corporation. This legislation is poised not only to enhance land development efforts but also to promote the construction of non-market housing accessible to all Canadians.

The establishment of Build Canada Homes affirms that this government believes that dignified housing is a basic human right and essential for personal well-being. Former President Barack Obama once wisely noted that a decent home is the cornerstone of dignity and opportunity. As we proceed with Bill C-20, let us aspire to create a future where every Canadian has access to the housing they require.

This legislation will officially establish Build Canada Homes as a Crown corporation with a focused mission: to enhance the availability of affordable housing throughout Canada. As a Crown corporation, Build Canada Homes will possess the necessary autonomy, flexibility and tools to function effectively as a developer, financier and strategic collaborator. These capabilities will enable the rapid delivery of housing nationwide, fostering a more efficient and innovative homebuilding sector.

At its core, Bill C-20 aims to restore housing supply, improve construction methods and ensure that Canadians have access to affordable rentals. Build Canada Homes will also catalyze a new phase of growth in Canada, contributing to a stronger and more productive economy.

The current state of housing in Canada is in crisis. Many Canadians are facing challenges in securing affordable housing, with rising costs and supply not meeting demand. The pandemic served to exacerbate an already challenging landscape in non-market housing, while today's geopolitical factors continue to affect the supply chain and our key trade relationships. These pressures on our housing system are felt nationwide, from metropolitan hubs to rural communities, leading to increased costs, limited availability and widening inequality.

That is precisely why the Government of Canada is enacting transformative changes to address the housing landscape. Bill C-20 will empower Build Canada Homes with the authority needed to significantly boost housing supply.

Budget 2025 represents a generational investment by the government in housing, aimed at facilitating affordable rental construction, fostering lasting prosperity and empowering Canadians. Addressing Canada's housing crisis requires immediate action to lower costs, reduce regulatory obstacles, improve productivity and accelerate the construction of affordable rental housing.

To restore affordability and meet the needs of a growing population, we must significantly increase the supply of land where various housing types can be built. Build Canada Homes will leverage public lands, employ flexible financial instruments and promote modern construction techniques, such as factory-built homes and mass timber. Innovative strategies will shorten construction timelines and enhance the transformation of housing in Canada.

Urgent measures are necessary to reduce costs, eliminate bureaucratic and regulatory barriers, and expedite land development and home construction, allowing us to enhance affordability and effectively respond to the needs of an expanding nation.

In this light, the launch of Build Canada Homes in September 2025 as a special operating agency within Housing, Infrastructure and Communities Canada marked a pivotal moment. With an initial funding allocation of $13 billion, Build Canada Homes forms an integral component of the federal government's comprehensive strategy to accelerate housing development, enhance affordability and combat homelessness.

To instill confidence among housing providers, builders and manufacturers, Build Canada Homes will offer multi-year funding agreements. This initiative is part of a broader endeavour to simplify building processes, thereby reducing costs for Canadians.

In its initial phase, Build Canada Homes is prioritizing shovel-ready projects, transitioning over time to support large-scale initiatives that yield measurable improvements in affordable housing supply.

This legislation is a crucial advancement, empowering Build Canada Homes with the capacities of a Crown corporation to mobilize capital at scale, forge substantial partnerships and invest in progressive housing construction methodologies. This is how Build Canada Homes will manifest thousands of affordable residences across public lands and communities nationwide.

Since its inception, Build Canada Homes has swiftly commenced its mission to realize housing projects. It has pinpointed public lands suitable for development, engaged local governments to streamline processes and waived fees while fast-tracking necessary approvals. To date, it has advanced six direct-build projects in cities, including Dartmouth, Longueuil, Ottawa, Toronto, Winnipeg and Edmonton, with immediate plans to begin construction this year.

Furthermore, six significant partnerships have been established with the City of Ottawa and the Provinces of Nova Scotia, New Brunswick, Quebec and British Columbia, alongside collaborations with the Nunavut Housing Corporation and Nunavut Tunngavik Incorporated, with the latter leaning to an agreement in principle, supporting the development of 750 units of non-market housing collectively designed and delivered within Inuit communities.

Collectively, these direct-build projects and agreements are set to provide more than 10,000 new homes for Canadians, heralding the beginning of a transformative journey and demonstrating Build Canada Homes' capacity to deliver timely and impactful results.

• (1440)

Build Canada Homes will have in its tool box a suite of flexible financial tools, including grants, low-interest loans, equity investments and tailored loan guarantees. This will mitigate risks, lower barriers and encourage private and philanthropic investments.

This collaborative approach aims to develop a diverse array of housing options that reflect the varied needs of Canadians.

Partnerships focused on mixed-income housing, combining non-market affordable rentals with market affordable rentals, will unlock new capital sources, enhance supply and support long-term affordability.

In addition, Build Canada Homes is engaging with provinces, territories and municipalities to promote supportive and transitional housing, ensuring that the necessary wraparound services accompany these initiatives. For instance, partnerships have facilitated the establishment of supportive and transitional units — 30 in Nova Scotia, 54 in Toronto and an additional 390 in Quebec City.

Following the release of the Investment Policy Framework and the launch of the national submission portal in November 2025, proposals have been received from every province and territory in Canada. Hundreds of proposals are currently under review, with many projects poised to commence in 2026.

Build Canada Homes is set to deliver the housing Canadians need more efficiently, intelligently and affordably, all while nurturing a robust and resilient economy. This approach enables a shift from incremental efforts to transformative outcomes. Build Canada Homes will embrace the Government of Canada's Buy Canadian Policy by prioritizing projects that utilize Canadian materials, bolster domestic supply chains and generate meaningful employment.

From the softwood lumber of British Columbia and New Brunswick to the steel of Ontario and the aluminum of Quebec, the homebuilding sector intertwines Canadian resources with Canadian jobs. This embodies the essence of the Government's Buy Canadian Policy approach to become our own most valued customer. It is a strategy for reinforcing the resilience of our economy.

By purchasing and constructing domestically, we reinforce Canadian industries, support our workforce and cultivate a stronger, more vibrant economy.

The Buy Canadian Policy unveiled in December 2025 transforms the federal government's purchasing framework. It emphasizes Canadian suppliers and mandates the use of domestically produced steel, aluminum and wood in all major federal projects.

This ensures that the investment we make will stimulate local demand, fortify domestic supply chains and empower Canadian workers and communities.

This transition marks a shift from reliance to resilience in an era of increasing trade uncertainty. This is the embodiment of being our own best customer. It is the future we are dedicated to shaping, and that is precisely what the Build Canada Homes act aspires to achieve. This act marks a pivotal milestone in the government's mission to construct homes more efficiently, ensuring that every Canadian has access to affordable housing.

While the legislation will undoubtedly lead to the construction of more affordable homes, which is an extraordinary achievement on its own, it also represents a vital component in Canada's economic retooling aimed at enhancing the lives of all Canadians.

For workers, it translates to improved stability and opportunities. For business, it promises consistent demand and predictability. For our nation, it's another significant stride in a nation-building strategy that invests in Canadian communities and industries.

Further, it is about reimagining the future of Canadians, for Canadians, ensuring that the next generation can choose the communities where they wish to reside. It aims to provide families with stability while supporting Canadian manufacturers and supply chains and fostering robust economic growth.

It is also about creating new career opportunities and equipping communities with the tools necessary for sustainable development.

Ultimately, the Build Canada Homes act will grant more Canadians access to the cornerstone of stability, which is the home in which they live, and opportunities associated with having a safe, affordable place to call home.

It will enable Canada to transcend incremental progress, providing affordable housing on the scale and timeline that Canadians require. Additionally, it will help shape a future defined by stronger, fairer communities that leave no one behind.

Honourable senators, I urge you to join me in supporting this bill. Thank you, *meegwetch*.

Hon. Flordeliz (Gigi) Osler: Will Senator Varone take a question?

Senator Varone: Absolutely.

Senator Osler: Thank you, senator, for your speech. I was writing a question as you were reading it. As I was writing, you spoke about transitional and supportive housing.

As our colleagues know, transitional and supportive housing combines services like mental health care or job training, so wraparound supportive services for people where they live. That type of housing has been shown to decrease costs for the health care system and decrease emergency calls.

Could you slowly go over some of the details from your speech in terms of provinces and territories that have proposals and their dollar amounts?

Senator Varone: Thank you for the great question.

With respect to what Build Canada Homes does, the non-market housing that it creates is afforded to those who have the rent-geared-to-income, or RGI, type of wraparounds. Unfortunately, the federal government is not in the position to fund that.

That is in partnership with municipalities and provinces; they're the ones who have the money available to assist those who have now occupied non-market housing and allow them the freedom and flexibility to live their lives. It has to be in conjunction with partnerships with provincial governments and municipalities.

The numbers will correspond to whatever the provinces and municipalities want to do. That is to say that Build Canada Homes will build the houses, but the wraparound services have to be provided in partnership with those other entities.

[*Translation*]

Hon. Claude Carignan: Will Senator Varone take a question?

[*English*]

Senator Varone: Absolutely.

[*Translation*]

Senator Carignan: When the Standing Senate Committee on National Finance questioned witnesses from Build Canada Homes, we realized that the Canada Mortgage and Housing Corporation, or CMHC, already carries out a significant portion of their duties and that some CMHC employees will be transferred to Build Canada Homes. Do you have the necessary funding to manage this new agency? Will CMHC's budget be reduced by an amount equivalent to the amount that will be allocated to fund this new agency?

[*English*]

Senator Varone: Thank you for the question; it's a complicated one.

The Canada Mortgage and Housing Corporation, or CMHC, like Build Canada Homes when this bill gets approved, is a Crown corporation under the minister. It is my understanding that they will be doing different things.

Regarding what CMHC is now doing, in terms of programs that will be phased out and imported into Build Canada Homes, that's when they will be able to assess what those programs are, what has and hasn't worked and what kinds of budgets they will need to continue.

There will be some — I would not use the word "duplication," but both of them have the ability to loan-guarantee projects. If CMHC is dealing in affordable but not non-market housing, they have the ability to guarantee loans so that private builders and developers can build affordable housing.

Build Canada Homes also reserves the right to offer loan guarantees. However, my understanding is that they'll use that in very specific cases where CMHC will not — because of the fundamentals of the economics of a project — issue a loan guarantee.

They have a lot of work between the two of them to sort out what they're doing and how they are going to do it to best deliver housing for Canadians, but it's a good question. It's what they have to concentrate on.

Hon. Todd Lewis: Will you take one more question?

Senator Varone: Yes.

Senator Lewis: Yes. As part of the plan, is there any plan for remote and rural Canada? A lot of housing is needed there as well, especially in spots where new mines are being set up.

Many kinds of infrastructure in rural Canada are not up to where they are in urban Canada. Housing — and the lack of housing — is in the same spot as a lot of the infrastructure troubles we see in rural Canada.

Senator Varone: That is a great question. There is no part of Canada that doesn't have a housing crisis. Put simply, the modality under which you deliver that housing will be different.

In urban centres, it's a lot easier given the kind of clout the industry has to produce that housing. In rural and remote areas, you are pretty much obligated to go with general contracting, hiring and putting it out to bid. That type of housing is quite expensive, more so than in urban centres.

• (1450)

They will be delivering those houses whether or not it's a primary focus because they may not have land that they're redeploying, which is surplus to the government, but it's my understanding from the minister that they are not opposed to looking to buy land to create the housing where it may be needed in Canada.

Senator Lewis: To your comments around factory-built housing, that could play a big part in what could be used in rural Canada. Even the lack of general contractors in a lot of areas is a hindrance to new housing. I think factory-built housing would be an interesting prospect in many parts of rural Canada. Do you agree?

Senator Varone: One of the best Canadian success stories is ATCO from out West, which is in the business of creating modular housing. That is the perfect type of stuff when you're talking about mining communities. They're factory built and can be assembled in days or weeks, not months or years. That's the kind of modality that I think they are zeroing in on for remote communities, so you're absolutely right.

Hon. Joan Kingston: Will the senator take another question?

Senator Varone: Absolutely.

Senator Kingston: This is a follow-up to Senator Osler's question and, to some extent, Senator Carignan's question as well.

Although you're absolutely correct that the provinces and municipalities have a part to play in the wraparound services, for many years, there has been what I'll call an incentive fund by the federal government called Reaching Home, which has done a lot of good in a lot of places. It has 20 months left in its current package of funding.

In terms of promoting best practices, would the federal government be thinking about reinstating Reaching Home or some sort of similar funding? It's been very valuable for wraparound services and people with really complex needs.

Senator Varone: That's a great question.

My understanding is even though there are pockets of money in different ministries, the federal government wants to sunset the majority of those programs and then funnel them all through Build Canada Homes so that they can have a concise pocket of money. You may see some stuff end but new stuff begin just for that purpose. Then if it's a catalyst to engage municipalities and provincial governments to match funds, that's probably the best way to move forward.

Hon. Michael L. MacDonald: Senator, could you give the Senate an estimation of how many homes are expected to be built and what the cost will be for each home and the time frame?

Senator Varone: Personally, I can't. Those numbers are not available. That data point is non-existent.

To answer it more productively for you, the land development process is a provincial-municipal responsibility. As a Crown corporation — in this particular case, Canada Lands Company will become an agent Crown corporation with the ability to supersede provincial regulations and municipal governance. They won't. Canada Lands Company has, in the past, always adhered to municipal processes, which means that any citizen in Canada who has a concern about a housing project can object to a higher authority. It becomes part of the process that all builders face sooner than later, which is the regulatory burden.

There are no KPIs at this point in time. They have the tools in the tool box to override that through Crown immunity, but whether they will do it or not, I'm not sure.

Senator MacDonald: Senator, you will recall that the Government of Canada was going to plant 2 billion trees, and they put up $3.2 billion to do that. They only planted over 200,000 trees — about 10% of what they budgeted for. All you need to plant a tree is a spade and a shovel, and they couldn't do it. How can Canadians be confident that this government is capable of building houses?

Senator Varone: I'm very confident that this government can build houses. As a Crown corporation, they will be subject to the Financial Administration Act, where they have to submit routinely and annually their platforms to the government. There is an annual review that will contain history and what the future looks like.

I'm keen to see them continue to follow the process that Canada Lands Company has been following for the last 30 years, and that is estimating at the beginning of the year and looking into the future for the next several years. That's the best way I can answer that.

[*Translation*]

Hon. Michèle Audette: Thank you, esteemed colleague.

You mentioned First Nations and land management. Not all communities benefit from the First Nations Land Management Act. Recently, in Manawan, we saw that as many as 17 people sometimes live in a single house.

I would like to know whether the Crown corporation will have a seat or seats for First Nations members. Steps also need to be taken to ensure that the First Nations are able to speak both French and English, because newly created organizations tend to operate in English only. French was imposed on me and I'm proud to speak it, but it's important to think about these things. That is my first question.

Next, can you assure me that the dozens of recommendations that the Assembly of First Nations made to the other place were considered when this bill was being drafted?

You can get back to me in the next few days, but I do need to know whether the duty to consult was fulfilled.

Thank you.

[*English*]

Senator Varone: That's a two-sided question, and from my experience at Canada Lands Company, the duty to consult was front and centre. As well, on that board, we had a member named Brenda Knights from Vancouver, who was part of an Indigenous housing community. If they follow the same model, Build Canada Homes will have a governance structure with a board of directors.

I can't tell you what they're going to do, but I can tell you what's been done and what they can model it after, and that is the manner in which Canada Lands Company had modelled it before.

Senator Audette: Are you able — like with Bill C-29, the National Council for Reconciliation Act — to add an Indigenous voice that is comfortable in both French and English? I was wondering if Canada or the government is open to that. There is some expertise from B.C., but we also want to make sure that our voice is heard in Quebec as well. Can I have that guarantee or an answer to that?

[*Translation*]

Thank you.

[*English*]

Senator Varone: The guarantee won't come from me. Having said that, I can recommend that past practices be adopted.

[*Translation*]

Hon. Chantal Petitclerc: Senator Varone, will you take a question?

[*English*]

Senator Varone: Absolutely.

Senator Petitclerc: Senator Varone, as you know, with the Accessible Canada Act, the federal government is committed to a barrier-free Canada. When it comes to Build Canada Homes, there are some organizations that have questions and concerns as to whether those homes will be built accessible from the start.

What do you know about that? Who will be responsible? Who will oversee the accessibility aspect of that project to ensure it is compatible with standards when it comes to accessibility?

Senator Varone: Again, I have no guarantees on that, but I can speak about the past practices of Canada Lands Company, which won the Rick Hansen Foundation award for accessibility. They reinvented the CN Tower with accessibility.

For some of the people who are moving over to the Build Canada Homes organization from Canada Lands Company, accessibility is front and centre. That's the stuff they speak about and work with every single day. Will it be made available in every single home? Generally speaking, high-rise buildings — if that's the modality of the housing we're talking about — come with accessibility. It's the low-rise buildings that are more of a concern, which have to be built specifically to deal with accessibility issues.

• (1500)

It is not a perfect answer, but it is the answer I know right now. Everything in high-rises will meet that standard. Low-rise is pretty much on a needs basis.

Hon. Yonah Martin (Deputy Leader of the Opposition): Honourable senators, wow, there were so many good questions from all sides of our chamber. I'm glad I'm not the sponsor of this bill. Being the critic allows me to be critical and analyze this bill from a different perspective. Out of the greatest respect for the sponsor of this bill, who is an expert in his own right, instead of rising to ask you questions, I put them into my speech. These are some things that we have already discussed.

I rise today at second reading of Bill C-20, the Build Canada Homes act.

I do so with a deep sense of urgency on behalf of Canadians living through a worsening housing crisis, during which we have young families, seniors, newcomers and multi-generational households who cannot find suitable and affordable homes.

The question before us is not whether the crisis is real but whether this bill, and the new Crown corporation it creates, will actually help fix that crisis or whether it will simply add another layer of bureaucracy without the clarity, accountability and focus this moment demands.

We are the chamber of sober second thought, entrusted to protect regional interests, to bring provincial and local perspectives into federal law-making and to safeguard the long-term integrity of public finances. With Bill C-20, we are being asked by the government to rubber-stamp a massive restructuring of the federal role in housing and to hand a $13-billion blank cheque to yet another costly bureaucracy before Parliament rises for the summer.

It concerns me all the more because our pre-study of this bill was short and tightly constrained. The Standing Senate Committee on Banking, Commerce and the Economy held only two meetings on Bill C-20, including a single hour with the minister and officials, and heard from a limited number of witnesses. The chair and committee graciously gave me an additional two minutes beyond my four-minute time allotment, which allowed me to ask three questions to the minister. More concerning than the brief time I had to question the minister is that by the time we held our first of two pre-study meetings, the bill had already passed the report stage in the other place.

In effect, the pre-study became a procedural formality to speed the bill through the Senate, rather than a meaningful opportunity to improve its text. With the housing expertise and experience of Senator Varone and the Banking Committee, which tabled its second report on housing, *Out of Reach: Unlocking Canada's Housing Affordability Crisis*, in January 2026, had we been able to do our good work sooner or study the bill more thoroughly, rather than at this eleventh hour, Bill C-20 would be a better bill that we could all support.

Regardless of where I find myself today — still concerned about Bill C-20 — I want to acknowledge the thoughtful work of colleagues on the committee and the openness of Senator Varone, the bill's sponsor, in engaging with concerns and observations raised during that process. Nonetheless, the testimony we heard during the pre-study raised more questions than answers about whether taxpayers are getting value for money from creating a new $13-billion Crown corporation instead of fixing and strengthening existing institutions, such as the Canada Mortgage and Housing Corporation, or CMHC, as Senator Carignan raised, and Canada Lands Company, also known as CLC.

Those concerns are sharpened by the way Build Canada Homes, or BCH, itself has been rolled out. The government already launched BCH as a special operating agency last fall, announced projects and appointed a chief executive officer, even though Bill C-20, the legislation that formally establishes Build Canada Homes as a Crown corporation, has not yet been passed by Parliament. Once again, like our Senate pre-study being held after reporting stage in the House had already concluded, the cart has been put before the horse. We are being asked to retroactively bless a structure, a leadership team and a suite of decisions that are already well under way since its launch on September 14, 2025. This government may argue that a housing crisis requires moving "at speeds never seen," but urgency does not justify asking Parliament to sign a blank cheque after the fact.

To illustrate why these concerns matter on the ground, I want to speak from my own experience. I speak not only as a critic of the bill but as a resident of the Lower Mainland of British Columbia for more than 50 years. I know the ground we are discussing, the local communities and the federal properties the government now points to as housing opportunities.

Let me speak of Jericho Beach, the former Department of National Defence, or DND, Jericho Garrison, now known as Jericho Lands. CLC, in a joint venture with the MST Development Corporation, the Musqueam, Squamish, and Tsleil-Waututh First Nations, acquired the eastern portion of this 90-acre coastal property from the DND in 2014, 12 years ago. For over half a century, I have watched that spectacular site change and wind down. My husband actually worked at a work yard there, so I was there many times. I played volleyball on those beautiful lands.

Following the site's change and wind-down, it has simply sat idle as its future was debated. The federal government recognized decades ago that the garrison land was surplus, yet it took until 2014 just to transfer it out of DND and into that Crown-held joint venture. Today, in 2026, 12 years after that transfer, there is still not a single shovel in the ground. There are no families living there. No affordable housing units have been built, and a full build-out of the proposed homes is projected to take decades.

Jericho's story also raises a pointed question about Canada Lands Company, the same Crown real estate arm whose major housing-related sites and land management functions are slated to be transferred, in whole or in part, into Build Canada Homes under this bill. If federal land can sit for more than a decade after transfer with no homes built and no clear benchmarks, what reason do we have to believe that simply rebadging that machinery inside BCH and promising to build "at speeds never seen" will suddenly produce different results without stronger oversight, targets and timelines written into Bill C-20?

Jericho is not an isolated incident. At Wateridge Village, on the former Canadian Forces Base, or CFB, Rockcliffe lands east of downtown Ottawa, Canada Lands Company acquired that base in 2011 and has been leading the redevelopment into a master-planned community. Yet, for roughly two decades after decommissioning, much of the site sat largely vacant and behind fences, while federal land clearance, environmental and liability issues were resolved and planning work was completed.

At Shannon Park in Dartmouth, Nova Scotia, Canada Lands Company purchased about 33 hectares of the former military neighbourhood from DND in 2014, began demolition around 2015 and has been overseeing a redevelopment plan for roughly 3,000 units, at least 20% of which are described as "affordable."

But families left Shannon Park years ago. The buildings were demolished by 2017, and the site has remained largely empty, while plans inched forward and only now begin to move into early servicing and construction work.

The history of Jericho, Rockcliffe/Wateridge and Shannon Park is a clear cautionary tale. It shows that the bottleneck on federal lands has not been a lack of public sector builders but the glacial pace of the federal government's own land management, environmental and liability processes under Canada Lands Company. Creating Build Canada Homes and simply absorbing CLC's housing portfolio into it does not erase those structural problems; it risks repeating them on a more expensive, bureaucratic scale.

• (1510)

Honourable senators, some of the witnesses who appeared before the Banking Committee's pre-study acknowledged that BCH could play a useful role in expanding non-market and deeply affordable housing, particularly on certain federal lands. I want to be clear that I share the view that every Canadian deserves a safe, dignified roof over their head and that there is a real need for more deeply affordable and supportive homes for those who cannot be served by the private market. BCH is intended to focus on that non-market end of the spectrum.

However, other witnesses raised significant concerns about its design and impact, noting that BCH would touch only a very small fraction of Canada's overall housing needs, that its mandate risks overlapping with existing entities and that crucial concepts, such as affordable housing itself, remain undefined in the bill and largely left to future policy.

One of the most striking concerns raised was the mismatch between the scale of this crisis and the narrow scope of this new housing Crown corporation. Kevin Lee of the Canadian Home Builders' Association reminded us that roughly 95% of Canadians live in market-rate housing, while BCH is designed to operate almost entirely in the non-market, government-supported segment of the system — so 5%.

Based on the evidence before us, BCH is expected to address only a very small share of the additional housing Canada needs, on the order of about 1% of the overall short- and long-term supply gap, even as CMHC's own research shows we must roughly double annual housing starts to restore affordability.

The Parliamentary Budget Officer reached a similar conclusion in a report tabled in December 2025, projecting that BCH will support roughly 26,000 units over five years, only a small fraction of the hundreds of thousands of additional homes Canada requires to regain affordability.

Mr. Kevin Lee also warned us about the very thing this bill is supposed to fix: process and red tape. He described how in major urban centres, such as the Greater Toronto Area and the Lower Mainland, approval timelines can stretch to roughly two or three years, compared to a matter of months in some smaller jurisdictions, and how those delays drive up costs through carrying charges and uncertainty. He cautioned that BCH projects will face many of the same municipal bottlenecks.

Some non-market projects may be fast-tracked, but that only sharpens the question: If municipalities can move quickly for BCH or under rapid housing initiatives, why does it still take years for the other 99% of needed homes? BCH may end up at the front of the line while market projects fall further behind, without fixing the underlying regulatory problems for everyone else. That is not system reform; it is a parallel track.

Beyond this, witnesses raised serious concerns about mandate clarity and duplication. BCH does not operate in a vacuum. We already have the Canada Mortgage and Housing Corporation, the Canada Lands Company — which will come under BCH — the Canada Infrastructure Bank and other federal housing and infrastructure programs. In the recommendations I submitted to the committee for its pre-study, I urged the government to explain clearly how BCH's role will differ from these entities, how responsibilities will be divided and how proponents will avoid being bounced between overlapping federal processes.

The Canadian Real Estate Association, likewise, called for clearly defined, outcome-driven mandates for BCH and CMHC — with CMHC refocused on attainable home ownership and "missing middle" supply, while BCH concentrates on deeply affordable and non-market housing — and for formal coordination between them. Those structural questions are not clearly resolved in the text of Bill C-20.

Equally troubling is what the bill does not say. Despite BCH's core mandate to promote, support and develop affordable housing, Bill C-20 does not define "affordable housing" or "non-market housing" in the statute. Affordability can vary by income, region, tenure and project type. Leaving the definition entirely to policy and program guidelines, rather than to Parliament, means we will be debating results without ever having agreed on what counts as success.

Dr. Mike Moffatt, a Canadian economist and Founding Director of the Missing Middle Initiative who has done extensive work on housing supply and middle-class families, warned the committee that, without legislated benchmarks, we won't know ". . . five years from now whether Build Canada Homes has been working . . .," because there are no clear targets or key performance indicators. The bill does not require BCH to set and publish numeric targets by year, by region, by tenure or by bedroom count, nor to report publicly on progress against those targets.

That is why, in my own recommendations, the Conservative recommendations, we called for BCH to establish clear performance indicators and to include in its annual reports the number, type, location and tenure of units, categorized by affordability level and target clientele, with 1-, 5- and 10-year benchmarks, so Parliament and the public can see whether it's meeting its objectives.

The lack of clear direction on unit mix is particularly worrying for families. Statistics Canada's work on housing need shows that larger renter households are far more likely to live in overcrowded conditions and that many renter households with five or more members would need homes with four or more bedrooms to meet the federal government's own standard for suitable housing.

Dr. Moffatt pointed out that BCH encourages proponents to use CMHC's Housing Design Catalogue and that, for Ontario — we don't know about the other provinces — almost all of the catalogue's designs are one- to three-bedroom units only, with only a single four-bedroom option among them. He warned that governments tend to do what is easiest, especially for low-income and larger families, unless legislation forces us to do otherwise.

If BCH proceeds without explicit expectations and targets for family-sized units, we risk replicating the undersupply of suitable housing for larger families which already plagues our market.

The government's primary defence of Bill C-20 is that this new Crown corporation needs "commercial agility." But when we look at the text of the bill, that agility comes largely from carving BCH out of some of the usual guardrails of the Financial Administration Act, or FAA. The bill authorizes billions in capitalization and borrowing authority and then, for certain measures, exempts BCH from key FAA provisions that normally apply to Crown corporations. At committee, I raised four of them.

First is section 91 on contracts and procurement. This exemption means BCH can basically award major contracts without following the usual federal procurement rules, increasing the risk of sole-sourcing and reduced transparency.

Second is subsection 99(2) on the disposal of public property. This normally requires Governor-in-Council approval before a Crown corporation sells or leases federal real estate. Exempting BCH allows valuable public land to be disposed of without cabinet sign-off.

Third is subsection 100(1) on acquiring real property. These provisions are meant to limit and oversee how Crown corporations buy land and buildings. Exempting BCH lets it acquire real estate with far fewer constraints.

Fourth are elements of Part X, which set out the basic governance and oversight framework for Crown corporations. Bill C-20 both exempts BCH from certain Part X requirements and allows cabinet to declare additional Part X provisions inapplicable when issuing directives related to the Canada Lands transition.

• (1520)

At committee, the Minister of Housing told us that Build Canada Homes would be subject to all the usual accountability and reporting requirements of a Crown corporation and that the specific Part X exemptions we raised would apply very specifically to the transition of lands from Canada Lands Company to Build Canada Homes.

However, the wording of clause 43 is significantly broader than that assurance. It authorizes the Governor-in-Council, by order, to declare that any provisions of Part X of the Financial Administration Act do not apply to measures taken not only by Canada Lands Company and its subsidiaries but also by Build Canada Homes and its wholly owned subsidiaries so long as those measures are taken under a ministerial directive. That goes well beyond a narrow, one-time land transfer.

It matters what the law says, not only what the minister intends to do. If Parliament is going to exempt a $13-billion Crown corporation from normal Financial Administration Act rules on procurement and property transactions and give cabinet the power to switch off parts of Part X when directives are issued, those extraordinary powers should be tightly drawn and subject to clear safeguards: transparent justification, public reporting to Parliament and an explicit link and time limit tied to the Canada Lands Company transition.

Bill C-20 does not build those safeguards into the statute. Witnesses also reminded us that Build Canada Homes cannot, on its own, solve Canada's housing crisis.

Mr. Kevin Lee stressed that while using public lands and supporting modular construction are positive steps, they will not be enough unless accompanied by broader reforms to accelerate approvals, harmonize building code interpretations, lower structural cost pressures from taxes and fees and expand ready-to-build land in partnership with provinces and municipalities.

Dr. Moffatt urged the government to pair Build Canada Homes with a renewed National Housing Strategy — a National Housing Strategy 2.0 — with clear, near-term goals for middle-class home ownership and missing middle supply, not just long-term aspirations stretching to 2060 and beyond.

The Canadian Real Estate Association echoed these concerns, warning that without a dedicated federal focus on restoring the missing middle, pathways to home ownership will continue to narrow, even if some non-market units come on stream.

The Parliamentary Budget Officer's work reinforces this broader context. It finds that overall federal spending on housing programs is projected to decline significantly over the next several years as existing National Housing Strategy programs sunset, even with Build Canada Homes coming online.

Build Canada Homes is expected to support only a modest number of units relative to Canada's overall supply gap. In other words, even as the government builds a new Crown corporation, the broader federal effort on housing is shrinking rather than growing.

Finally, colleagues, I must speak to a matter that touches on public confidence and institutional integrity. Bill C-20 empowers Build Canada Homes to channel up to $13 billion in capital, loans and equity into particular sectors, including prefabricated and modular housing manufacturing.

When Parliament creates a targeted industrial spending vehicle of this scale, we have a duty to ensure its design is insulated, as much as possible, from any reasonable perception of conflict of interest. This is particularly important given the public record regarding the Prime Minister's prior role as chair of Brookfield Asset Management, a global investment firm with significant holdings in real estate, infrastructure and related supply chains, as well as his ongoing, long-term financial ties to Brookfield-linked investments extending into the 2030s.

The government has rightly emphasized that conflict-of-interest screens and blind trusts are in place; those mechanisms must be respected. At the same time, experts have highlighted the structural challenge of applying traditional ethics screens to vast and constantly evolving corporate groups with thousands of subsidiaries.

My purpose in raising this is not to cast personal aspersions or allege wrongdoing; it is to underline a systemic truth: When a government constructs a multi-billion-dollar agency to heavily finance a specific sector and when the head of that government retains long-term financial ties, even indirect ones, to major corporate players in that sector, the risk of a perceived conflict is inherently elevated.

That risk is compounded when the same bill exempts the new Crown corporation from key Financial Administration Act safeguards on procurement and property transactions and allows cabinet, by order, to set aside additional Part X protections in connection with ministerial directives.

In that context, Canadians are entitled to ask whether the Prime Minister and other well-connected insiders could be positioned to benefit, directly or indirectly, from Build Canada Homes' investment and contracting decisions.

Canadians need to see clear statutory procurement and governance safeguards for Build Canada Homes so that they can be confident its decisions are made entirely in the public interest. Bill C-20 does not yet provide that level of assurance from this critic's point of view.

Honourable senators, we are told we must pass Bill C-20 immediately because we are in a housing crisis. I fully agree; we are indeed in a crisis, but a crisis does not justify vague law. A crisis does not justify exemptions from key financial controls without clear, time-limited safeguards. A crisis does not justify creating another housing bureaucracy that, by the estimates of experts and the Parliamentary Budget Officer, will address only a small fraction of the problem, even as broader federal housing spending declines. Nor does a crisis excuse putting billions of dollars of taxpayers' money at risk now and potentially for decades to come without the strong, transparent protections that Canadians are entitled to expect.

After a rushed pre-study, I am not persuaded that Bill C-20, in its current form, provides the mandate clarity, definitions, targets, performance measures and safeguards that a new $13-billion housing Crown corporation requires. Nor am I convinced that creating yet another federal housing bureaucracy — one that experts tell us will touch only a sliver of Canada's housing needs — is the best way to address a crisis rooted in regulatory delay, structural cost pressures and a chronic failure to build the right homes across the entire continuum.

At second reading, we are asked to approve the principle of this bill. You may have guessed that, in principle, I do not support this bill, but I understand the crisis in which we find ourselves and the timing of this bill at this stage of our spring sitting.

We have assurances from the minister on record, which is why it is important to put them on the record here in this chamber as well, because we heard it at committee, and he is coming to our chamber tomorrow. I am looking forward to urging the minister to look at the observations we made during the pre-study, while hearing the concerns that I have raised today and that others have raised around this chamber.

Your questions actually made me want to add more to this speech, but at this time, I will simply say that, in principle, I cannot support this bill. We are ready for the question to send this bill to committee for clause-by-clause consideration tomorrow. Thank you, colleagues.

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

Some Hon. Senators: Agreed.

An Hon. Senator: On division.

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

REFERRED TO COMMITTEE

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

(On motion of Senator Varone, bill referred to the Standing Senate Committee on Banking, Commerce and the Economy.)

• (1530)

THE SENATE

MOTION TO RESOLVE INTO COMMITTEE OF THE WHOLE TO CONSIDER SUBJECT MATTER OF BILL C-26 ADOPTED

Hon. Patti LaBoucane-Benson (Legislative Deputy to the Government Representative in the Senate), pursuant to notice of June 15, 2026, moved:

That, notwithstanding any provision of the Rules, previous order or usual practice:

1. at 4 p.m. on Wednesday, June 17, 2026, the Senate resolve itself into a Committee of the Whole on the subject matter of Bill C-26, An Act to authorize certain payments to be made out of the Consolidated Revenue Fund for the purpose of improving housing supply;

2. the Committee of the Whole receive the Honourable Gregor Robertson, P.C., M.P., Minister of Housing and Infrastructure and Minister responsible for Pacific Economic Development Canada, accompanied by at most two officials;

3. the committee rise no later than 65 minutes after it begins;

4. the minister's introductory remarks be limited to a maximum of five minutes;

5. if, during the Committee of the Whole, a senator does not use the entire period of 10 minutes for debate provided under rule 12-31(3)(d), including the responses of the witnesses, that senator may yield the balance of their time to another senator;

6. the provisions of rule 3-3(1) and any provision of the Rules or previous order relating to the ordinary time of adjournment be suspended until the Chair of the Committee of the Whole has reported to the Senate;

7. if the bells are ringing for a vote at the time the committee is to meet, they be interrupted for the Committee of the Whole at that time, and resume once the committee has completed its work for the balance of any time remaining;

8. if a standing vote was deferred to a time that would occur during the meeting of the Committee of the Whole, that vote be further deferred so that the bells only begin once the committee has completed its work;

9. for greater certainty, all witnesses appear in person;

10. for greater certainty, committees normally scheduled to meet on that day and those separately authorized by the Senate to meet on that day be authorized to meet, even though the Senate may then be sitting, with rule 12-18(1) being suspended in relation thereto;

11. if, prior to the Committee of the Whole, the Senate has received Bill C-26, after the Chair of the Committee of the Whole has reported to the Senate, the bill be taken into consideration at second reading forthwith, provided that if the bill had been placed on the Orders of the Day for second reading at a sitting subsequent to June 17, 2026, second reading be brought forward so that the bill be taken into consideration at second reading as the next item of business;

12. if, at 9 p.m. on June 17, 2026, the Senate has not disposed of the bill at second reading, the Speaker interrupt any proceedings then before the Senate in order to put all questions necessary to dispose of the bill at second reading without further debate;

13. if the Senate receives the bill after the Committee of the Whole, once read a first time, it be placed on the Orders of the Day for second reading later that day, provided that if the Senate has already passed the point on the Orders of the Day where it would deal with the bill at second reading, it be taken into consideration at second reading forthwith, or, if another item is under consideration at that time, the bill be placed on the Orders of the Day for consideration at second reading as the next item of business, with the Speaker to interrupt any proceedings then before the Senate in order to put all questions necessary to dispose of the bill at second reading, without further debate, at the earlier of 11:30 p.m. or three hours after the sponsor or a designate has moved second reading;

14. if the Senate adopts the bill at second reading, it be placed on the Orders of the Day for third reading at the next sitting;

15. proceedings under the terms of this order not be adjourned and no vote requested in relation thereto be deferred;

16. if, under the terms of this order, the Speaker is at any time required to interrupt proceedings then before the Senate in order to put all questions necessary to dispose of Bill C-26 at a particular stage without further debate, no further debate or amendment be permitted, and, if a standing vote is requested, the bells ring once, and for only 15 minutes, without being rung again for subsequent votes necessary to dispose of the bill at the stage in question; and

17. for greater certainty, if, at the time this order provides that something is to happen in relation to Bill C-26, the bells are either ringing for another vote, another vote is underway, or Question Period is underway, the time provided for in this order be understood as if it were at the end of either that other vote or Question Period.

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

Hon. Senators: Agreed.

(Motion agreed to.)

APPROPRIATION BILL NO. 2, 2026-27

THIRD READING

Hon. Sandra Pupatello moved third reading of Bill C-32, An Act for granting to His Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2027.

She said: Honourable senators, I am pleased to rise today — as opposed to last night at midnight — to speak at third reading of appropriation act no. 2, 2026-2027, better known as Bill C-32, which would provide supply for the Main Estimates. That is, we would authorize the government to spend a certain amount of money for the purposes laid out in the Main Estimates for 2026-27.

You might remember the interim supply bill, which we spoke about at the end of March: Bill C-24. That covered about a third of this year's spending. Today, we are going to talk about another tranche of those Main Estimates, which would approve the remaining two thirds of those forecasted estimates.

The Main Estimates for 2026-27 presented a total of $502.8 billion in budgetary spending, $230.4 billion of which was voted, so that required Parliament's approval. Another $272.4 billion is statutory spending required and provided for under law. Another $2.9 billion of non-budgetary expenditures is also presented.

Bill C-32 will complete the entirety of that $230.4 billion forecast in the Main Estimates, $86.4 billion of which was approved in that interim measure in March. We will talk about the remaining $144 billion today.

Honourable senators, the Main Estimates are a central part of the Parliament's oversight of government spending. They outline the funding that each department requires to deliver their programs and services in the coming fiscal year — in the year we are in. We get to look at what they're funding and whether it lines up with the priorities the government has laid out.

There is a total of $502.8 billion in spending, with $230 billion in planned voted spending, which is the spending that is not obligated by law, unlike the Canada Pension Plan, for example, which we don't vote on every year. This amount reflects previous decisions about where to spend money, and it takes into account

the reductions that are represented in the Comprehensive Expenditure Review that was part of Budget 2025, which resulted in a number of our questions.

[*Translation*]

As you may recall, in March, Senator LaBoucane-Benson tabled the departmental plans for the current fiscal year.

These plans outline the priority tasks that each department and government agency is required to carry out this year. What's more, 130 of these plans specify the financial resources required for their implementation.

They provide an estimate of requirements, and as implementation progresses, these estimates become more precise — hence the supplementary estimates I will be discussing with you, probably later today.

[*English*]

Colleagues, we spoke previously about the change in timing with respect to when the government tables a budget. From now on, we're going to see that budget in the fall as we did this year. Now, when we receive estimates in the new year, they will be more closely aligned with the budget document. They will have time to present more accurate forecasting and more accurate plans when that budget is delivered in the fall.

Now, for some detail, of the funds identified in the Main Estimates for 2026-27, $300.5 billion are transfer payments that the government makes to other governments, agencies, individuals, cities and towns, national programs where we partner with provinces to provide funds, Indigenous communities, non-profit organizations and research institutions. They also include direct support to Canadians through various programs, like Old Age Security and Canada Student Grants. In short, a transfer payment is a federal government's primary tool for working collaboratively across jurisdictions and sectors to deliver programs and services that Canadians rely on.

Operating and capital expenditures account for approximately $148.6 billion of expenditures, while public debt charges are about $53.7 billion. When comparing these expenditures to last year's Main Estimates, there is an increase of 3.3% in planned budgetary expenditures. More specifically, voted expenditures have increased by $7.5 billion, while statutory expenses are up $8.4 billion. This includes $14.7 billion in new spending announced in Budget 2025.

It includes funding for defence, infrastructure and economic supports. Other measures in Budget 2025 currently under development will be brought forward through further supplementary estimates.

[*Translation*]

Let's examine some of the most significant expenditures proposed in these budget estimates, starting with the Department of National Defence.

The last time we discussed the defence budget, the government announced that it had met the 2% target set by NATO and was now moving towards its target of 5% of GDP.

[*English*]

Last time, that received a lot of applause. It's 2%, and we're now working toward 5%. I'm laughing at the Chair of the Finance Committee here.

[*Translation*]

The government plans to continue safeguarding Canada's sovereignty by rebuilding, rearming and reinvesting in the Canadian Armed Forces.

That is why these Main Estimates provide for over $48 billion in voted appropriations to support the Department of National Defence.

These investments will fund the acquisition of modern equipment, training and cooperation with international partners, which will work toward global stability and help ensure the safety of Canadians.

[*English*]

Colleagues, there is also $1 billion for the Treasury Board, which gives the government the flexibility to respond to unforeseen defence and security pressures.

Global Affairs officials appeared before the Finance Committee. They are seeking $7.2 billion. Most of this is being put toward advancing free trade negotiations, helping our businesses succeed in global markets and enabling Canada to demonstrate both to our citizens and the global community that we help during international crises. Another $112.4 million is required for the 2025 G7 Leaders' Summit in Canada to cover the costs associated with hosting such an event, including security bills and other items whose invoices are now coming in or are due.

Be assured that the members of the committee quizzed officials over the bills due to the United Nations; the Association of Southeast Asian Nations, or ASEAN, Secretariat; and the Organisation for Economic Co-operation and Development, or OECD.

Given the upheaval in the world today, the committee spent considerable time with Global Affairs regarding their spending and their comprehensive review reductions. Senator Oudar and Senator Hébert asked about Canada's Africa Strategy. If the focus is increasing global activity, how do estimates align with these new opportunities? It gave officials a chance to speak about programs being supported here, such as funding for the OECD from their budget line and the CanExport program.

The Canada Border Services Agency, or CBSA, also appeared before the Finance Committee. Through these estimates, CBSA is receiving $3.1 billion. That's an increase of 2.6% compared to last year.

• (1540)

Given our global focus, the CBSA has several critical priorities. A sum of $77 million will support the recruitment, training and deployment of 1,000 new CBSA officers and increase the stipend for all border services officer trainees. There will also be funds allocated to infrastructure at the Canada Border Services Agency College.

The CBSA also plans to expand many of its front-line operational teams to combat organized crime groups smuggling contraband in and out of the country, namely, firearms, fentanyl, stolen vehicles and inadmissible persons. This will also include joint efforts with federal and provincial law enforcement partners to tackle the rising number of violent extortion incidents in communities across the country.

It was good to hear that all the border services officers have been hired for the new Gordie Howe International Bridge in my own hometown of Windsor, Ontario. That's 257 new officers who will be ready to go when the bridge is open.

[*Translation*]

The Chair of the National Finance Committee asked some very relevant questions about entry-exit management at the border. Officials talked about the improvements planned in this area through biometrics and greater digital modernization, as is the case in many other countries.

[*English*]

Canadian Heritage appeared before our committee, receiving a total of $1.9 billion in these estimates, much of it for grants and contributions. Considering what our chamber has been discussing lately, it is interesting to note that $234.3 million helps support communities affected by racism, hate or other forms of discrimination. It also supports work relating to Indigenous languages and the independent review of the Indigenous Languages Act. Additionally, $124.2 million will help Canadians access history and heritage, including the renewal of the Canada Strong Pass. We should tell all of our friends about that.

The Canadian Air Transport Security Authority, or CATSA, was also called before the committee. They report through Transport Canada and manage screening at 89 designated airports. They are responsible for pre-board screening, hold-baggage screening, non-passenger screening and the Restricted Area Identity Card program. The allocation to CATSA in these estimates is $562 million. Their goal is to improve passenger wait times so that 95% of passengers wait less than 15 minutes. This is meant to augment security effectiveness and screening efficiency through AI-supported operations and biometric systems, among other things.

[*Translation*]

The Canada Revenue Agency appeared before the committee and explained why it was included in the Main Estimates. For example, $97 million has been allocated to administer additional measures to combat tax fraud, and $40 million has been allocated to administer tax fairness measures for global corporations.

Many of the questions had to do with how the CRA intends to improve its services, as noted in the Auditor General's latest report. It is important to note that, since the CRA presented its 100-day Service Improvement Plan, an update has been posted on its website every two weeks, enabling us to track its progress.

The Department of Indigenous Services is working closely with its partners to improve access to quality services for First Nations, Inuit and Métis peoples. Most of the $23.9 billion in funding it's requesting will go to programs and services to promote the well-being and self-determination of Indigenous peoples. This initiative is part of a broader effort to strengthen relations and ensure that all communities have the tools they need to thrive.

[*English*]

Let me touch on Employment and Social Development Canada, or ESDC. It is a big chunk of these estimates, and for good reason. ESDC helps Canadians participate fully in their communities, supporting their economic well-being as costs rise and making work safer and more inclusive. The department also helps people get the skills they need for today's job market and supports those facing unemployment or financial challenges.

With this in mind, the department is seeking $13.6 billion in planned spending in the Main Estimates, with the vast majority earmarked for grants and contributions.

Together, grants and contributions help the government deliver programs more effectively and efficiently to communities and individuals. The Main Estimates also reflect the savings proposed under the government's Comprehensive Expenditure Review. The government has made a clear commitment to spend less on government operations and invest more in the workers, businesses and infrastructure that will grow our economy and strengthen our country.

Organizations considered ways to work more efficiently, leveraging existing and emerging technologies, such as AI, where it makes sense. Some of the results of this review were presented in Budget 2025 last November, which identified savings across government of $13 billion annually by 2028–29. These cost-saving measures are expected to directly result in a reduction of approximately 16,000 full-time equivalents across the public service, including approximately 650 executive positions.

This is part of the government's larger goal of reducing the public service to around 330,000 public servants by 2028–29. The reductions are being managed with fairness and compassion, relying on attrition and voluntary departures to the greatest extent possible, which is the framework governing workforce adjustments if there is less work, if a program has ended, if work is relocated to another site or if services are being delivered in a different way.

Federal organizations are required to follow established workforce adjustment processes set out in the National Joint Council Directive on Workforce Adjustment and in collective agreements or, in the case of executives, career transition measures. These instruments set out clear processes and support measures for employees who may be affected or, eventually, laid off.

That said, the government is leveraging all available tools to limit involuntary departures, including the Early Retirement Incentive, which we heard about last March. The Early Retirement Incentive is part of Budget 2025 and offers eligible employees the opportunity to retire without incurring a penalty for early departure.

Honourable senators, I would like to conclude by once again mentioning GC InfoBase. This website offers an accessible and comprehensive overview of government expenditures and departmental plans, providing a forward-looking account of planned spending, performance expectations and program priorities for individual organizations. If GC InfoBase were a movie, it would be Oscar-winning for its ability to clearly delineate government spending. It is the envy of peer governments. It presents complex financial data in a visual and intuitive way — cinematically, really.

I hope all honourable senators take full advantage of the extensive information that is available, which can also be accessed online at canada.ca.

Senators, I trust you will vote in favour of Bill C-32. Let's let the government get on with its work.

Thank you.

[*Translation*]

Hon. Claude Carignan: Honourable senators, I thank Senator Pupatello for her presentation. She saved me the trouble of unpacking the $104 billion.

I rise today to speak at third reading of Bill C-32, Appropriation Act No. 2, 2026-2027. This is an appropriation bill, a bill that authorizes the government to spend. As parliamentarians, we know that an appropriation bill is never trivial because it's actually a vote of confidence in the government's management.

It's a vote of confidence in the government's ability to manage public funds and be accountable. Having heard the witnesses who appeared before the Standing Senate Committee on National Finance over the past few weeks, I have to say that I am still deeply concerned about a number of things, not just about the level of spending, but about something more fundamental: the fact that it's becoming harder and harder to get clear answers on the use of these funds.

Senators from all groups asked valid questions on multiple occasions. How will results be measured? How will funds be monitored? What oversight mechanisms are in place? What kind of adjustments will be made when the goals aren't met?

• (1550)

All too often, the answers were the same: "The details will come later;" "The terms are still being worked out;" "The indicators will be specified at a later date;" "The regulations will follow;" "The mechanisms will be defined after the fact." Yet we're being asked for funding today.

That is precisely where the problem lies.

Here is my first observation: The government is asking for more money while doing less to measure its results. The 2026–27 Main Estimates ask Parliament for authorization to spend more than $502 billion. Less than 10 years ago, that amount stood at approximately $258 billion. Federal budget expenditures have nearly doubled in less than a decade. Voted expenditures approved by Parliament have risen from approximately $102 billion to more than $230 billion over the same period.

Given the magnitude of the sums involved, the requirements in terms of transparency and accountability should increase accordingly. The government claims to want to be more transparent, and it claims to want to improve results and strengthen accountability, yet some of the testimony we heard in committee tells a different story.

From the representatives of Global Affairs Canada, we learned that several performance indicators had been eliminated or amalgamated, that certain targets had disappeared and that some measurement mechanisms had been simplified, all of this at a time when the department is faced with unprecedented geopolitical challenges. At Canadian Heritage, several performance indicators are not even meeting the targets set by the government itself. At the Department of Finance, some indicators that were previously used for measuring fiscal performance have been removed from the departmental documents.

As for Health Canada, we learned during our study of the appropriations that just 197 inspections of personal production of cannabis for medical purposes had been carried out. Ninety-three inspections, or about half, found a clear risk to health or a risk of cannabis being diverted to an illicit market. That's about half. When I asked how many inspectors were assigned to do these inspections, the Health Canada representatives couldn't provide an answer. That is exactly what troubles me.

The department couldn't tell us how many inspectors are assigned to a program where about half of the inspections found a clear risk to health. That means the department has no idea how many inspectors or what level of priority should be assigned to this public health issue.

I have a second observation: The mistakes of the past continue to cost taxpayers billions of dollars. The spending we are examining today can't be analyzed without taking into consideration what we learned during our study.

Let's start with Phoenix. Over $5 billion has already been spent on this project — $5 billion, colleagues. Yet problems persist. Hundreds of thousands of transactions are pending. Public servants are still being paid incorrectly. At this point, nobody can tell us for sure how much this administrative saga will end up costing.

Let's look at pandemic programs. The Canada Revenue Agency admitted to our committee that some $11 billion doled out under emergency measures may never be recovered — $11 billion. That's more than the annual budget of several federal departments. When senators asked how much of the money could realistically be recovered, the answers were discouraging, to say the least. In other words, colleagues, that money has gone up in smoke.

Finally, the Department of Finance confirmed that debt servicing costs increased by $4.7 billion — $4.7 billion. That money is not being used to build hospitals, strengthen our borders or improve our infrastructure. It is being used just to pay interest.

My third observation is that the Alto project raises even more questions than it answers. The government is now asking for over $700 million more for this project. Overall estimates for the project now range between $60 billion and $90 billion. That is a difference of $30 billion. That gap alone is greater than the annual budget of many federal departments. It would place Alto among the most expensive infrastructure projects in Canadian history.

International experience, however, calls for caution. Studies of major rail projects show that cost overruns are the rule rather than the exception. Several international analyses report average cost overruns ranging from 40% to 45%. If a similar overrun were to occur in the case of Alto, we would no longer be talking about a project valued at between $60 billion and $90 billion, but rather potentially over $100 billion.

At the June 10 meeting, I asked Transport Canada's representatives a very simple question. I asked what specific mechanisms would govern the funds transferred to Alto. I asked whether there was an agreement, a monitoring protocol or a document clearly defining the responsibilities or the accountability mechanism. The answer was surprising. They said no. There is no memorandum of understanding between Transport Canada and Alto.

Honourable senators, when a project is expected to cost between $60 billion and $90 billion, the very absence of a formal memorandum of understanding should give us all pause. This same problem keeps coming up. The oversight mechanisms will come tomorrow, but the government is still asking for resources today. Our role isn't to approve spending in the hope that answers will eventually come. Our role is to get answers before authorizing spending. That is a basic principle of good governance.

Colleagues, I'd now like to address a more fundamental issue. I've been getting the impression over the past few months that the government has increasingly been asking Parliament to grant it powers that traditionally belong to the legislative branch. So I asked the Library of Parliament to review all government bills introduced since the start of the current Parliament and identify those that grant additional powers to a minister and suspend statutory provisions. I found 23 such bills — 23 out of 38. That is nearly two-thirds. Indeed, the results are telling.

Of the 38 government bills introduced to date, 23 grant new powers to a minister or to the Governor-in-Council to make decisions by order-in-council. In other words, in nearly two out of every three bills, the government is asking Parliament not only to enact legislation, but also to grant it more powers.

I'm not saying each of those powers is unjustified. Under Bill C-15, a 638-page omnibus bill, the government granted all ministers the power to create "regulatory sandboxes." Under Bill C-5, the Minister of Environment was granted the power to designate certain projects, even if they don't meet the usual designation criteria. Under Bill C-8, the Minister of Industry and the Governor-in-Council can issue directions to telecommunications companies through orders or regulations. Under Bill C-31, the minister responsible has exclusive authority to acquire supplies and services related to national defence and national security.

Again, the problem isn't necessarily each of these powers taken individually. The problem is the pattern. There's a pattern of more decisions referring to regulations, orders and discretionary powers. We should at least be vigilant about monitoring this pattern. Are we witnessing the gradual abdication of Parliament's oversight and monitoring role? I'm genuinely worried.

Colleagues, the problem with Bill C-32 is that it's part of a context where the government is currently requesting approval to spend more than $502 billion under the various appropriation acts, even though it frequently struggles to clearly show what results it's achieving with the funds it's already been granted.

We heard from knowledgeable witnesses and officials acting in good faith, but we also heard incomplete answers. We saw that accountability mechanisms have been weakened, and delegating authority to make decisions by order-in-council is not going to improve that situation. We saw that billions of dollars have been lost or mismanaged.

• (1600)

Basically, the government is asking us to trust it. However, trust can't be forced; it has to be earned. When a government asks for more money — over $500 billion this year — more power and more discretion, then it must be prepared to agree to more oversight.

As senators, our role is not to rubber-stamp the government's requests. Our role is to ensure that Canadians get the answers they are entitled to before their money is spent.

After examining this bill and after listening to the witnesses who appeared before the National Finance Committee, I find that too many of my questions remain unanswered. As a result, I will not be supporting Bill C-32, and I encourage my colleagues to do the same.

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

Some Hon. Senators: Question.

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

Some Hon. Senators: Agreed.

Some Hon. Senators: No.

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

Some Hon. Senators: Yea.

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

Some Hon. Senators: Nay.

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

And two honourable senators having risen:

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

Some Hon. Senators: Fifteen minutes.

The Hon. the Speaker pro tempore: Honourable senators, we have agreement on 15 minutes. The vote will occur at 4:16 p.m. Call in the senators.

• (1610)

[*English*]

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

YEAS
THE HONOURABLE SENATORS

Adler	Lewis
Al Zaibak	Loffreda
Arnold	MacAdam
Arnot	McBean
Aucoin	McNair
Audette	Miville-Dechêne
Bernard	Mohamed
Black	Moncion
Boehm	Moodie
Boudreau	Moreau
Burey	Muggli
Busson	Osler
Cardozo	Oudar
Clement	Pate
Coyle	Patterson
Cuzner	Petitclerc
Dalphond	Petten
Dasko	Pupatello
Deacon (*Nova Scotia*)	Quinn
Deacon (*Ontario*)	Ravalia
Dean	Ringuette
Dhillon	Robinson
Downe	Ross
Duncan	Saint-Germain
Forest	Senior
Francis	Simons
Fridhandler	Sorensen
Galvez	Surette
Gerba	Tannas
Gignac	Varone
Greenwood	Verner
Harder	Wells (*Alberta*)
Hay	White
Ince	Wilson
Karetak-Lindell	Woo
Kingston	Youance
Klyne	Yussuff—75
LaBoucane-Benson	

NAYS
THE HONOURABLE SENATORS

Ataullahjan	Manning
Batters	Martin
Carignan	Poirier
Housakos	Wells (*Newfoundland and Labrador*)—9
MacDonald	

ABSTENTION
THE HONOURABLE SENATOR

Wallin—1

• (1620)

APPROPRIATION BILL NO. 3, 2026-27

THIRD READING

Hon. Sandra Pupatello moved third reading of Bill C-33, An Act for granting to His Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2027.

She said: Honourable senators, I am pleased to rise today to speak to the Appropriation Act No. 3, 2026-27, better known as Bill C-33.

This bill would provide funding for Supplementary Estimates (A). These estimates outline additional funding, requirements and adjustments for departments to deliver programs and services during the current fiscal year, building on the plans set out in the 2026-27 Main Estimates.

Since you just heard about the Main Estimates, I will leave out some of the details in this discussion on Supplementary Estimates (A).

[*Translation*]

By providing up-to-date information throughout the year, the supplementary estimates allow parliamentarians to assess proposed expenditures that had not been sufficiently developed in time to be included in the Main Estimates or that were subsequently refined to account for changes to certain programs and services.

Like the Main Estimates, the supplementary estimates also promote transparency and accountability. They provide a clear picture of how the government spends and manages taxpayers' money, allowing for informed scrutiny both within and outside Parliament.

[*English*]

Supplementary Estimates (A) for 2026-27 presents a total of $11.1 billion in incremental budgetary spending for 59 governmental organizations that have refined all of their plans for this coming year and were able to include information in the supplementary estimates.

These proposed expenditures support a wide range of programs and services to the Canadian population, invest in Canadian communities and enhance national and international security. If approved by Parliament, voted budgetary spending would increase to a total of $241.6 billion. In the Appropriation Act No. 1, 2026-27, we saw $86.4 billion. In the Appropriation Act No. 2, which was just passed, there was $144.1 billion. Now, in this Appropriation Act No. 3, there is $11.1 billion.

Overall, this amount reflects previous funding decisions, including initiatives set out in previous budgets.

Honourable senators, let me now turn to some of the major proposed spending identified in these supplementary estimates, beginning with the Department of Crown-Indigenous Relations and Northern Affairs.

Indeed, the department is seeking the largest share of these estimates, totalling $3.1 billion. A significant portion of this amount — $2.7 billion — would support the settlement of specific claims submitted under the Expedited Resolution Strategy for agricultural benefits claims.

This strategy is an important step toward addressing longstanding injustices faced by First Nations, particularly in relation to agricultural benefits to which they were entitled but did not fully receive.

By providing a more efficient and focused process for resolving these claims, the strategy helps advance commitments to fairness, reconciliation and the honour of the Crown. For example, $290.5 million is earmarked to address past compensation for Whitesand First Nation.

Honourable colleagues, these investments are not only about resolving past injustices but about creating the conditions for future growth in communities across the country.

[*Translation*]

That's why the government is committed to increasing Canada's housing supply and to investing in modern, reliable infrastructure.

As you may recall, Budget 2025 introduced the Build Communities Strong Fund, a substantial investment of $51 billion over 10 years for a wide range of infrastructure projects to support economic prosperity, housing, education, health, public transportation and climate change adaptation.

The fund will help speed up the construction of hospitals, recreation centres, universities and colleges. This fund will also help speed up the construction of essential infrastructure, such as bridges for transporting goods and the water supply and public transportation networks that keep our cities running smoothly.

• (1630)

These Supplementary Estimates (A) allocate $2.3 billion to the Build Strong Communities Fund this year.

[*English*]

The Defence Department once again features prominently in the supplementary estimates. As much as $1.2 billion of these is targeted toward National Defence. This brings their total budgetary authorities to $51.9 billion. This adds $840 million for Operation REASSURANCE, which supports NATO measures in Central and Eastern Europe; $180 million to purchase 190 more armoured combat support vehicles; and $60 million for Operation AMARNA, which is Canada's contribution to help support stability in the Middle East.

This funding will also help strengthen NATO's defence on its eastern flank and help deterrence efforts along Latvia's nearly 300-kilometre border with Russia.

Critically, this operation reinforces Canada's collective defence, strengthens cooperative security and keeps NATO strong at a time of rapid global change.

When Defence officials came to the Finance Committee, much time was spent discussing the Buy Canadian Policy. Members were delighted to hear how much effort is being made to move Canadian suppliers in every element of defence spending. Last year, the BDC received $2.2 billion to promote small- and medium-sized businesses and help them get in that supply chain.

To make us feel even more confident about where our money is going, the officials confirmed at committee that the defence spend is about 80% in Canada and about 20% outside of Canada, and that is before the full force of the Buy Canadian Policy arrives.

[*Translation*]

Witnesses appeared before the National Finance Committee to examine both the Main Estimates and the Supplementary Estimates (A) simultaneously.

Fisheries and Oceans officials answered several questions regarding the multi-billion-dollar cut to their budget.

In reality, rather than having been cut, more than $3 billion has been transferred to the Department of National Defence's budget; these were the funds allocated to the Coast Guard.

The Coast Guard was transferred to the Department of National Defence last September, and its mandate was expanded to include missions such as surveillance, which now fall under the remit of National Defence.

[*English*]

The 2026-27 Main Estimates we heard about earlier today included $1.5 billion in funding to the Public Health Agency of Canada. That included items like the 9-8-8 Suicide Crisis Helpline, the backup pandemic influenza supply contracts and support for the Pan-Canadian Action Plan on Antimicrobial Resistance.

Today, the Supplementary Estimates (A) include $54.4 million for influenza preparedness. That also includes $5 million to support a childhood vaccination advertising campaign.

With this same Public Health Agency, there is a request for the Canadian Dental Care Plan of $148 million; this is specifically for the delivery and administration of the program. Earlier budget documents brought to this floor included the $3.4 billion that was assigned to the oral health providers.

These supplementary estimates also propose $736.8 million for the Canadian Air Transport Security Authority to meet operating and capital requirements. This funding would help maintain security screening operations as the number of airline passengers continues to increase. It would also help upgrade equipment, like replacing older X-ray machines with more efficient scanners.

Also on transportation, in these supplementary estimates, Transport Canada is requesting $39.2 million for Eastern Canada ferry services, which was good news: six ferry terminals, their associated port infrastructure and four ferry vessels.

[*Translation*]

Honourable senators, the Department of Indigenous Services would also receive significant funding under this budget.

A total of $311.1 million would be allocated to fund mental wellness and substance use treatment services.

This funding would sustain access to essential resources and services, such as community-based workers, mental health counsellors and 24-7 access to crisis lines.

[*English*]

I would also like to touch on the proposed funding for VIA Rail. Last year, they had an increase in revenue of $36.8 million and have maintained a ridership level of 4.4 million. They have reached 58% recovery of their cost. These estimates would provide $261.8 million to help cover VIA Rail's operating costs, which includes salaries, fuel, on-train products, inspection programs and service agreements on third-party tracks.

In addition to voted funding, the Supplementary Estimates (A) also reflect updates to statutory spending. These updates do not require Parliament's approval, but they are included to provide a more complete picture of each organization's total expected spending for the year.

Statutory spending is expected to decrease by $49.6 million to a total of $272.4 billion. The decrease is largely due to forecasts of $529.7 million for Build Canada Homes, an increase of $492 million for elderly benefits and an increase of $364.8 million for the Canada Infrastructure Bank, offset by a decrease of $1.5 billion for public debt costs.

Honourable senators, you can see how the process of budgeting and approvals is complex. It is an organization that has such diverse funding programs. I've tried to select interesting items to show the breadth of government services that are supplied to Canadians.

Several of the ministries and agencies came before the hawks at the Finance Committee where the witnesses were subject to a great deal of questioning.

[*Translation*]

I would invite those who would like to know more to review the record of the National Finance Committee's deliberations.

[*English*]

For those of you who would like to read all of the transcripts of the Finance Committee, I think you would enjoy that read.

[*Translation*]

You will see that the city of Rimouski features regularly in the discussions, as do issues relating to youth unemployment.

This is an excellent way to see how senators fulfill their role in scrutinizing the Supplementary Estimates (A).

Many initiatives involve several departments. Others span several budget cycles. Others still must adapt to changing economic conditions or new priorities.

In this context, a thorough review becomes even more essential.

[*English*]

It does allow us to track how initiatives develop from their initial inclusion in the Main Estimates through subsequent adjustments in supplementary estimates, like the ones before us today. With the ongoing scrutiny of the rollout of the new Canadian Dental Care Plan, for example, we can count on the ongoing questions from Senator Gignac as he tracks the costing of the program as it grows.

Departments and agencies are called on to explain their plans more clearly, to articulate expected results more precisely and to account more fully for how the public funds are being used. More importantly, it means asking if these programs and services are benefiting Canadians as intended.

Let me finish by once again encouraging colleagues and citizens to go to GC InfoBase; it offers an accessible, comprehensive view of government expenditures and Departmental Plans. It provides forward-looking accounts of planned spending, performance expectations and program priorities for the individual organizations.

Can I ask senators to pass Bill C-33, Supplementary Estimates (A), so we can keep the wheels of the government rolling?

Thank you again for your attention.

• (1640)

Hon. Denise Batters: Senator Pupatello, would you take a couple of questions?

Senator Pupatello: Yes.

Senator Batters: Thank you. In one part of your speech, you were speaking about $1.5 billion in health spending, and you mentioned the 9-8-8 Suicide Crisis Helpline. I'm wondering how much of that $1.5 billion of health spending is allocated to that. Then, in another part of your speech, you spoke about $311 million, and you mentioned mental health and substance abuse treatment. I'm just wondering what some examples are and what that $311 million is being spent on.

You also mentioned 24-7 access to emergency helplines. I'm wondering if that is the same as the 9-8-8 Suicide Crisis Helpline or if that is something different. What other examples do you have of government spending on mental health and substance abuse treatment?

Senator Pupatello: Thank you for the question. The amount of $311 million was specifically identified as services for Indigenous Services Canada and through that ministry. The 9-8-8 number is through the Public Health Agency of Canada. So they were two separate agencies and two separate amounts. After today, we can provide you with more details in writing about other examples that were included. Thank you.

Senator Batters: Yes, I would like to know how much the 9-8-8 Suicide Crisis Helpline is. Many of us put a lot of work into making sure that became a reality, so we would like the information about that, please.

Also, I don't think the $311 million was included in that Indigenous health section. If you could also please provide us with confirmation about that, that would be helpful.

Another question is this: I know it has been in the news recently, and Senator Ataullahjan has asked a couple of questions in Question Period about the federal government's large spending on the FIFA World Cup 2026. Given the timing, is that an item that is in this budgetary amount?

Senator Pupatello: I believe our Senate National Finance Committee heard from officials this morning, who identified a set amount designated for FIFA. There would be amounts across a number of different ministries, and I don't think we've seen the total yet. For example, Public Safety Canada would have an amount related specifically to security. The Department of Canadian Heritage would have an amount related specifically to athletes. It has been spread out across the government, but after today, we can endeavour to look at a total amount across the ministry, and we'll certainly ask that question.

Senator Batters: Thank you. Yes, because some of us were in different committees doing clause by clause of government bills at that point, so obviously, we didn't have the opportunity to see those witnesses. That would actually be a good question to have answered before we even have the vote today. If the officials just gave you the answer this morning, it should be something that you can get relatively quickly. Thank you.

Senator Pupatello: That was this morning, but it was only one specific ministry. This morning, we heard from the Department of Canadian Heritage, and we heard from Public Safety Canada a few days ago. We'll try to total that across various government departments and see if we can come up with a total. Thank you.

Hon. Tracy Muggli: Senator Pupatello, would you take a question?

Senator Pupatello: Yes.

Senator Muggli: Thank you. I was wondering if you could just repeat the amount of money dedicated to the promotion of childhood vaccinations and if there is any information related to increased childhood vaccinations that is expected with this investment.

Senator Pupatello: I'm going to get you that exact number as soon as I go through this. I will tell you that the details about how many vaccines will actually be authorized weren't included in the material that was submitted, but that's also something that the Public Health Agency of Canada can provide.

Senator Muggli: Senator Pupatello, would you take one more quick question?

Senator Pupatello: Yes.

Senator Muggli: With regard to the mental health and addictions investment, do you know what percentage of this total would be one-time funding for new projects and what percentage would be committed operational funding? Historically, we have seen federal investments for one-time pilot projects, and then it finishes and provinces are expected to take over. I am just interested in some feedback on that.

Senator Pupatello: The numbers outlined in today's discussion were related to ongoing funding for the ministry writ large or the Public Health Agency, but we did realize through the Senate National Finance Committee that a number of organizations have to constantly have their funds almost sunsetted and then approved again so that it continues on in that fashion. I certainly agree that it becomes difficult for organizations that aren't directly the ministry or a government employee to sort out whether they will still be there in a couple of years. Those questions were certainly posed at the Senate National Finance Committee. That amount, though, was specifically for the Public Health Agency.

[*Translation*]

Hon. Claude Carignan: Honourable senators, I rise today to speak to Bill C-33, An Act for granting to His Majesty certain sums of money for the federal public administration for the fiscal year ending March 31, 2027, the Supplementary Estimates (A), seeking approval for an additional $11.1 billion, primarily to fund the settlement of Indigenous claims, housing, infrastructure, transportation and defence. It also includes a few measures that were announced in Budget 2025, particularly for culture, the FIFA World Cup 2026, and trade diversification.

To answer my colleague's question about the budget for FIFA, it's $473 billion, as the Parliamentary Budget Officer stated and as officials confirmed this morning. Actually, it's $465 billion, because $8 billion — sorry, I mean $8 million; we say "billion" so much in committee. The actual figure is $468 million, with about $200 million coming from Canadian Heritage, about $160 million coming from Public Safety Canada, $74 million coming from the RCMP, and different amounts established for each one. The Supplementary Estimates (A) set out some funding for FIFA, including additional funding requested for Immigration, Refugees and Citizenship Canada and for security.

The bill authorizes spending, but let's not overlook the fact that that spending amounts to $11 billion.

As I pointed out earlier during our consideration of Bill C-32, Parliament's role is not simply to authorize the expenditures put before it. Our role is to scrutinize them and to ask questions. Our role is to ensure that public money is used efficiently, transparently and responsibly. Having heard the witnesses who came before the Senate committee, I remain, once again, very concerned.

There was a recurring theme during the committee hearings. At the risk of repeating myself, the government is seeking appropriations today and saying the answers will come tomorrow. This way of governing should worry us all. In fact, colleagues, Parliament is finding it increasingly difficult to track public money. One of the key findings of our study is the growing difficulty parliamentarians face in keeping track of exactly how public funds are being used.

Take military spending, for example. The government claims to have met the NATO target of spending 2% of GDP on defence. We are told the figure is $65.9 billion. This is, of course, a spectacular increase. It represents an increase of nearly 50% compared with the previous year. However, when the committee sought to understand exactly how this figure was calculated, we discovered a much more complex reality.

First, as soon as any money is spent from the Department of National Defence's budget, that amount is counted toward the 2% spending target, even if the spending is related to climate change, for example. What's more, only a portion of the 2% actually comes from the Department of National Defence. Other departments and agencies are also contributing billions of dollars. In fact, the committee had to ask for a detailed accounting of where the money was coming from in order to better understand where the government got these figures.

Honourable senators, it is fair to ask questions when we have to ask for a detailed breakdown to understand an announcement as fundamental as meeting NATO's 2% target and a future target of 5% of GDP, because that is what has been announced. That means that nearly $160 billion will be spent annually in the coming years. Parliament should not have to piece together the government's figures itself.

• (1650)

In the course of our work, a recurring theme emerged. Even though the senators were asking simple, valid questions, the witnesses kept answering that they needed to double-check and that they would get us the information later. Honourable senators, that is not how accountability to Parliament should work.

Take governmental cybersecurity. The committee wanted to know how many organizations were affected by the shortcomings identified by the Auditor General, what the risks were and what corrective measures were planned. Or take the transfer of the Coast Guard to the Department of National Defence, or the Grande-Entrée harbour file. In each of these cases, the committee asked valid questions, but we were told the answers would be provided later. These may not be the highest-profile government files, but they illustrate the problem clearly. Parliament wants accountability, but in too many cases, the answers don't come till later.

Honourable senators, let me now turn to a program that the government regularly holds up as one of its greatest accomplishments: the Canadian Dental Care Plan.

According to the testimony our committee heard, this program now costs $3.4 billion per year. The government projected that the cost could reach $4 billion. Last year alone, an extra $1.6 billion had to be added because the costs were exceeding the original projections.

This year, Health Canada is requesting an additional $148 million for this program. Senator Gignac asked departmental representatives where that $3.4-billion expenditure appears in the budget. The answer was surprising: It doesn't, really. It's part of the department's overall expenditures. Senator Gignac then raised a fundamental problem: Even though this is a significant expenditure, parliamentarians struggled to clearly identify it in the estimates they were given. Honourable senators, when a program costs billions of dollars a year, parliamentarians should be able to easily see where that expenditure is. That is the very basis of accountability.

These concerns aren't new. During scrutiny of the Main Estimates, the committee had already found that Health Canada was unable to provide some basic information about the cannabis program, as I explained earlier. This is not just a money issue. It's also a management, oversight and accountability issue.

During the study of Bill C-32, I spoke about the gradual weakening of accountability mechanisms. I also mentioned a broader pattern that has been emerging since the start of this parliamentary session: Parliament is being asked to approve more funds, while the executive is making a growing number of decisions by order-in-council. What we heard during the study of Bill C-33 was similar: higher spending, bigger programs, more complex administrative structures and answers that are sometimes hard to come by.

I'm not saying that the public servants who appeared before our committee were acting in bad faith. Far from it; their professionalism was clear. However, effective public servants are no substitute for institutional monitoring mechanisms. Parliament can't function on trust alone. Its actions must be based on information. Whether it's defence spending, the Canadian Dental Care Plan, cybersecurity or the many other files about which we are still waiting for answers, the same observation applies.

Parliament is being asked to approve spending before it has all of the necessary information. When the government requests an extra $11 billion, the fundamental question isn't whether each program is useful. The real question is whether Parliament has the necessary information to fully exercise its role.

Based on our study of the Supplementary Estimates (A), and in light of all the answers yet to come, I'm not sure that it does. We've run into deferred responses, figures that are hard to locate, and major programs with inadequate oversight. We've seen a government asking for even more resources without consistently displaying the same level of transparency. In fact, the growing opacity of this government is starting to cause me serious concern, if not worry. Essentially, the government is asking us to trust it again today. We're supposed to trust it with an additional $11 billion. However, at the risk of repeating what I said earlier, trust can't be commanded by order-in-council. It has to be earned.

As I also mentioned in my speech at the third reading of Bill C-32, when a government asks for more money, it must be prepared to provide more information. When it asks for more appropriations, it must be prepared to accept more oversight. When it asks for Parliament's trust, it must be able to show that its accountability mechanisms are commensurate with the amounts it's requesting. The testimony heard in committee shows that these mechanisms sometimes fall short.

In closing, honourable senators, I would like to thank all of my committee colleagues for their incredible participation and their sometimes tough but fair questions. Their goal was not to be partisan, but to seek true accountability. I am very proud to chair the Standing Senate Committee on National Finance. It is a privilege to lead such a knowledgeable and diligent group of senators.

I'm sure it will come as no surprise that I am asking you to vote against this bill. I hope to be more successful this time. I hope I have convinced more senators.

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.)

[*English*]

STRONG AND FREE ELECTIONS ACT

BILL TO AMEND—SECOND READING

Hon. Farah Mohamed moved second reading of Bill C-25, An Act to amend the Canada Elections Act and to enact An Act to change the names of certain electoral districts, 2026.

She said: Honourable senators, I rise to speak in support of Bill C-25, the strong and free elections act. This legislation represents an important step forward in protecting the integrity of Canada's free and fair elections and ensuring that Canadians can continue to have confidence in our electoral system.

Honourable senators, before we dive into the mechanics of the bill, I want to step back and speak from a place of personal experience that I know many of you share.

Many of us in this chamber have spent time in the trenches of democratic life. Some have stood for office as candidates. I look around this chamber and I see former mayors, council members, MPs, provincial members and ministers and a former premier. Others have been the heartbeat of campaigns as volunteers or organizers, party officials or directors. Many of you have been active as advocates, as campaigners or as leaders of civil society organizations, working tirelessly to push forward policy objectives and shape the national conversation.

The Senate is appointed, but do not let it be said that we do not understand elections.

In our various capacities, we have likely all seen the incredible successes that occur when things go right and the profound structural dangers that arise when things go wrong, not just at the level of the ballot but in the integrity of the process itself.

We understand that political parties and advocacy organizations are not commercial entities. They are essential engines of democracy. When these institutions are robust, our dialogue is richer, our engagement is deeper, and our democracy is stronger.

• (1700)

Having spent my own time in those hierarchies and on those campaign trails, I recognize first-hand the immense dedication required to power these movements. But I also recognize the increasing complexity that our volunteers and our officials face. That is why I agreed to act as sponsor of Bill C-25. Bill C-25 creates a framework that provides clarity and the shield that those on the front lines deserve against modern digital threats and administrative risk.

Now, I am fully aware that some will look at this bill and ask for more. I understand that sentiment. However, we must be pragmatic.

Bill C-25 is not the ceiling, colleagues; it is the floor. It is the solid, essential foundation upon which we can build. We need a starting point that is evidence-based and consensus-driven, and that is exactly what this legislation provides. It is a necessary modernization that allows us to move forward with the confidence that our electoral infrastructure is resilient, accountable and ready for the challenges we now face.

At its core, this bill asks us a simple question: Do we wait for vulnerabilities in our democratic system to become crises, or do we act while our institutions remain strong?

I think we can all agree that Canadians expect us to act.

We are fortunate to be debating this legislation from a position of strength. Canada's electoral system is among the most respected in the world. The Canada Elections Act is widely recognized for its robust safeguards, strict political financing rules, transparent spending limits and strong reporting requirements.

These are not accidental features of our democracy. They are the product of decades of careful stewardship by Parliament and the independent institutions charged with protecting our electoral process. Indeed, one of the reasons Canada's elections enjoy such a strong reputation internationally is because Parliament does not treat the Canada Elections Act as a static document. We have consistently updated it in response to changing circumstances, technological advances, expert recommendations and emerging threats. The strength of our system today is not the result of standing still. It is the result of continuous improvement.

Bill C-25 follows that tradition. It reflects the work of experts whose responsibility is not to react to democratic failures after they occur but to identify vulnerabilities before they become a crisis. This arrives at a very important moment. Despite Canada's position of strength, the threats facing democracies around the world are becoming increasingly sophisticated and increasingly difficult to detect.

Waiting to respond until these incursions have already taken hold is a luxury we no longer have, as the cost of remediation far outweighs the value of prevention. Foreign interference has evolved. Disinformation has evolved. Technology has evolved. Artificial intelligence has evolved. Our laws must evolve as well.

Some may argue that Bill C-25 goes too far. Others may argue that it does not go far enough. That is often the case when Parliament attempts to modernize complex legislation. In that light, I feel it is important to stress that Bill C-25 comes before this chamber as a deliberate, targeted response to the extensive body of work conducted by our electoral experts.

This legislation draws directly from the 2022 post-election reports of the Chief Electoral Officer and the Commissioner of Canada Elections, as well as the critical findings of the Public Inquiry into Foreign Interference in Federal Electoral Processes

and Democratic Institutions, or PIFI. Furthermore, it incorporates and addresses many of the core provisions and concerns previously debated in Bill C-65, which died on the Order Paper.

By building upon these foundational studies, the government has attempted to craft a bill that is both informed by expert testimony and sharpened by the parliamentary debates that preceded it. While this bill does not implement every single recommendation arising from these numerous studies, it represents a strategic prioritization of what is most urgent and actionable. Most significantly, the government has moved to address all six of the public inquiry's urgent recommendations regarding the Canada Elections Act, either in whole or in part, alongside every safeguarding recommendation put forward by both the Chief Electoral Officer and the Commissioner of Canada Elections.

The government also chose to prioritize measures that could be addressed effectively and directly within the Canada Elections Act, ensuring a focused and efficient response to the threats facing our democratic institutions.

Other recommendations and findings discussed in these reports were deemed beyond the narrow core priorities of this specific legislation, but they remain under government consideration for potential implementation through other means.

Additionally, I would note that Bill C-25 arrives here today with the strength of full unanimous support from the other place, reflecting a clear consensus among all parties. My hope is that by the end of this debate, colleagues will be satisfied, as I am, that Bill C-25 strikes an appropriate balance. It strengthens our electoral system where necessary, addresses known vulnerabilities and recognizes that future Parliaments will continue to refine and adapt these reforms as new challenges emerge.

Honourable senators, this legislation is built on a vital recognition that election threats do not wait for the writ to drop. While the Canada Elections Act traditionally anchored its protections to the election period, that approach belonged to an era when campaigns were largely confined to well-defined periods of time, but that is no longer the world we inhabit.

Disinformation campaigns do not wait for election day. Foreign interference efforts do not consult the election calendar. Cyberattacks do not begin when candidates start knocking on doors. Threats emerge continuously. Bill C-25 responds by extending important electoral protections beyond the campaign period and making them applicable at all times.

That may sound technical. It is not. It is a recognition that democracy must be protected year-round because those seeking to undermine it operate year-round.

Honourable senators, a firewall that only functions during an election campaign is not much of a firewall. This legislation extends protections against foreign interference, vote buying, bribery and false communications impersonating electoral actors beyond the election period. This is a sensible modernization. It aligns our legal framework with the reality of the modern information environment.

I will now expand on some of the major provisions and enhancements brought forward in Bill C-25.

To protect the integrity of the National Register of Electors, Bill C-25 establishes rigorous new access criteria that ensure voter data is shared only with parties that have a verified, ongoing role in our democratic process. Under these new provisions, a registered or eligible political party may only receive a copy of the preliminary list of electors, or PLE, if they meet one of three conditions: First, they were represented in the House of Commons on the day before the writ was issued. Second, they have endorsed a candidate in the last two elections in that specific electoral district. Third, they have endorsed candidates in at least two thirds of all electoral districts.

This measured approach directly addresses a significant vulnerability identified by the Chief Electoral Officer, where the system's previous openness was exploited. In his 2022 recommendations, the Chief Electoral Officer highlighted that the PLE was accessible to political parties even if they had no intention of fielding candidates, creating a substantial risk to elector privacy. This risk became an unfortunate reality after groups promoting hatred registered as political parties specifically to gain access to these voter lists — an issue that notably emerged in Alberta.

These criteria represent a positive strengthening of our system. By closing the loophole that allowed bad actors to exploit the registration process, we are significantly enhancing privacy protections for individual electors and safeguarding the National Register of Electors from misuse.

This reform strikes a balance. It preserves the ability of legitimate parties and confirmed candidates to communicate with voters, which is essential to a healthy democracy, while providing a robust, enforceable layer of security that protects the system as a whole from those who use electoral data to cause harm.

While these changes apply to registered and eligible parties, the PLE remains fully accessible to all confirmed candidates once their nomination packages are verified by Elections Canada, ensuring that legitimate participants maintain the necessary ability to communicate with voters.

Equally important, Bill C-25 recognizes that modern threats do not stop at our borders. Here I am talking about foreign interference. A generation ago, attempts to interfere in Canadian elections generally required a physical presence in Canada. Today, a foreign actor can launch a cyberattack, coordinate a disinformation campaign, amplify false narratives using artificial intelligence or target Canadian voters directly from thousands of kilometres away. The digital world has effectively erased geography as a barrier to interference. That is why the bill expands the application of key protections to conduct that originates outside Canada.

• (1710)

This is an important principle, colleagues. Canadian elections belong to Canadians. To that end, Bill C-25 introduces upwards of 30 targeted amendments to the Canada Elections Act, including securing electoral integrity. It closes foreign funding loopholes, prevents dark money and enhances protections for nomination and leadership contests.

To combat modern threats, the bill addresses digital risks by banning electoral deepfakes, preventing digital impersonation and creating new offences for the misuse of computers and the dissemination of false information.

The bill strengthens enforcement. It expands the administrative monetary penalties regime, increases penalty amounts and provides the Commissioner of Canada Elections with improved investigative tools and interagency information-sharing capabilities.

It enhances accountability and security, mandates stricter privacy requirements for political parties, improves the protection of personal information on electoral lists and bolsters physical security for returning officers and candidates.

Bill C-25 sends a clear message that attempts to interfere in our democratic processes will not be tolerated, whether they originate inside Canada or halfway around the world.

Honourable senators, the bill also addresses a defining democratic challenge of our time: the weaponization of disinformation. Bill C-25 does not prohibit opinions, criticism, advocacy, satire or parody, nor should it. Instead, it targets deliberate efforts to deceive Canadians about the electoral process itself.

When someone knowingly spreads false information about how, when or where Canadians can vote, they are not participating in democratic debate; they are attempting to undermine it. That distinction matters. Freedom of expression remains protected. Electoral deception does not.

Artificial intelligence presents an even newer challenge. The bill appropriately extends existing prohibitions against impersonating electoral actors to include deceptive deepfakes, which is a welcome and necessary step.

We should also recognize that technology continues to evolve at an extraordinary pace that often outstrips our laws. The challenge is not merely the existence of a deepfake; it is whether the voter knows it is a fraud.

Synthetic media, such as AI-generated images, videos or audio recordings, can now bypass traditional definitions of impersonation while still weaponizing deception. Artificial intelligence does not need to violate the letter of our laws to hollow out the spirit of our democracy; it needs only to skirt it. That reality should encourage continued vigilance. Bill C-25 is an important step forward, but it is unlikely to be the final word on AI and elections.

Future parliaments may wish to consider further safeguards, from disclosure requirements and authentication standards to watermarking technologies, that help citizens distinguish between authentic and synthetic content. Ultimately, transparency is the best defence against deception.

As we refine these protections, we must recognize that this is an iterative process. While Bill C-25 establishes the necessary foundation for accountability and integrity today, the work of building democratic resilience is continuous.

That distinction — the ability of Canadians to trust the information they receive — is the bedrock of our democratic resilience, and it is a project we must continue to advance alongside the rapid pace of technological change.

Colleagues, taken together, these measures reflect a common objective: ensuring that Canadians can participate in elections free from manipulation, intimidation, foreign interference and deliberate deception. But protecting elections also requires protecting the information Canadians entrust to those who participate in the democratic process.

That brings me to the issue of privacy. I see Senator Deacon has perked up.

Some argue that political parties should be regulated in exactly the same manner as commercial enterprises. I understand that instinct, but it ignores a fundamental reality: Political parties are not retailers, telecommunications providers or social media platforms. They are democratic institutions. Their mandate is not to sell a product; it is to engage citizens, communicate with electors, recruit volunteers, identify supporters and facilitate the democratic process.

The debate, therefore, is not whether political parties should be subject to privacy obligations. The answer to that is an unequivocal yes. The debate is whether those obligations should reflect the unique, constitutional role that parties play in our system. Bill C-25 moves us past a one-size-fits-all solution to create a framework that is both rigorous and relevant to the nature of our democracy.

Far from creating an exemption, this bill builds a comprehensive set of obligations specifically designed for the electoral context. First, every federal political party must maintain a publicly available privacy policy, written in plain language, in both official languages. Canadians will be able to understand not only what information is collected but how it is collected, used, disclosed and protected. The policy must explain these practices clearly and provide practical examples that make them accessible to ordinary Canadians.

Second, political parties must also implement physical, organizational and technological safeguards to protect personal information. They must establish procedures to respond to privacy breaches and ensure that individuals are notified whenever a breach creates a real risk of significant harm.

Importantly, these obligations extend beyond the party itself. Any contractor, supplier, consultant or third party handling this data must maintain equivalent protections.

Third, the legislation also introduces meaningful, direct accountability mechanisms. Every party must designate a privacy officer responsible for monitoring compliance. That officer must participate in annual meetings convened by the Chief Electoral Officer concerning privacy protection and best practices. Parties must also provide appropriate training to those acting on their behalf. Critically, these obligations are enforceable. They are not a "maybe I want to" but a "you have to."

Failure to comply with a party's own privacy policy can result in administrative monetary penalties under the Canada Elections Act. Colleagues, these are not aspirational commitments. They carry consequences.

In considering these proposals, it is important to understand what Parliament is attempting to accomplish. The legislation focuses on creating a robust and effective framework for privacy protection within our political system. By establishing clear, meaningful obligations for political parties, including the appointment of designated privacy officers, the implementation of formal breach response protocols and strict notification requirements, Bill C-25 builds a system centred on public transparency and genuine accountability.

This framework is designed to empower the Commissioner of Canada Elections to exercise strong oversight and enforce meaningful penalties where those obligations are not met.

The goal is to ensure that privacy protection is integrated directly into the operations of our political parties, leveraging the existing expertise of our electoral agencies in administration and compliance to create a system that is both actionable and effective for all Canadians.

Colleagues, I am mindful that our chamber has previously held rigorous debates regarding the privacy framework for political parties. I recognize that, for many, there remain strong views on the balance between party autonomy and external regulation. That debate resulted in the legislative landscape we operate in today. Bill C-25 exists in that space. It is purposefully nested within that new framework. Clearly, I am talking about Part 4 of Bill C-4.

While some may wish to revisit the foundational principles established by that previous legislation, I would suggest that our focus today should be on the progress this bill represents. Bill C-25 moves us further along the path toward meaningful regulation and oversight of political parties than existed prior.

We may have differing views on the pace of this evolution, but I believe we can all agree that establishing these new, enforceable obligations is a substantial improvement over the status quo.

I hope we can build on this progress rather than relitigate the past, ensuring that our electoral system continues to evolve in a direction that prioritizes transparency and accountability.

Honourable senators, this bill also addresses the issue of unduly long ballots.

At first glance, this may appear to be a relatively minor administrative matter. Let me assure you that it is not. This is not about having "too many" candidates. It is an issue of addressing a coordinated gaming of the Canada Elections Act to create logistical and administrative chaos.

• (1720)

Voting should be accessible, understandable and efficient.

When ballots are deliberately manipulated to create confusion, delay or administrative burden, the consequences fall on ordinary voters, election workers and, in particular, those who encounter systemic obstacles to full political participation.

To understand the importance of this provision, consider the foundation of candidacy itself. When an individual runs for office, they file a nomination paper — the formal document that verifies they are a legitimate candidate — backed by the support of their community and, where applicable, their party. It is the first step in our democratic process, confirming that the person seeking our vote is a citizen who is entitled to stand for election.

Crucially, that nomination requires the appointment of an official agent. This is not just an administrative clerk. The official agent is the legal and financial backbone of the campaign. They are the individual responsible for all campaign finances, from ensuring every dollar raised is disclosed to guaranteeing that every expense complies with the strict limits of the Canada Elections Act, or CEA.

By requiring these roles and filings, we ensure that every candidacy is transparent, documented and accountable.

The measures contained in Bill C-25 are targeted, reasonable and proportionate. Our electoral system must be accessible, fair and easy for every Canadian to navigate. When ballot design becomes a barrier rather than a clear choice, it is the voter who loses out. Therefore, this legislation prioritizes the clarity of the ballot.

By limiting electors to signing only one nomination paper per election and requiring each candidate to have their own unique official agent, the legislation promotes a ballot that is clear and navigable, ensuring that our electoral process remains accessible to every candidate and easy to understand for every voter.

Ultimately, the bill restores the nomination process to its original purpose: a localized expression of democratic support, rather than a performative, system-gaming exercise.

During the Legal and Constitutional Affairs Committee's pre-study of Bill C-25, the issue of administrative monetary penalties, or AMPs, was discussed. I welcome the opportunity to provide further comment.

Bill C-25 expands enforcement powers and strengthens the consequences for violating the Canada Elections Act. The legislation makes conspiring to commit a violation, attempts to commit a violation, counselling another person to commit a violation and acting as an accessory after the fact subject to enforcement under the act.

These changes recognize a simple reality: Those who seek to undermine democratic processes often operate in the shadows, orchestrating misconduct rather than carrying it out directly. The law should be capable of addressing those who facilitate, encourage, organize or enable misconduct, not merely those who carry it out.

Therefore, the bill significantly increases maximum administrative monetary penalties from $1,500 to $25,000 for individuals and from $10,000 to $100,000 for entities, thereby strongly enhancing the deterrent value of our enforcement regime.

I have heard the question of whether all violations should carry the same maximums. It is a fair question, and the answer lies in the essential role of our independent officials. It is true that not all conduct creates the same degree of harm. Not all violations threaten electoral integrity to the same extent.

This bill does not impose a rigid, one-size-fits-all solution; instead, it provides the Commissioner of Canada Elections with the tools, flexibility and necessary range to exercise expert judgment.

Our independent officials are the gatekeepers of our democracy; they are uniquely positioned to distinguish between genuine administrative oversights, like accidentally signing two nomination papers, and conduct that deliberately attempts to undermine electoral integrity, such as the organized counselling of multiple signatures. By expanding these AMP limits, we are not mandating uniform punishment; we are empowering the commissioner to ensure that the penalties remain proportionate, fair and calibrated to the severity of the conduct. This is how we ensure that enforcement is both firm in its deterrent effect and precise in its application.

Honourable senators, Bill C-25 also strengthens political financing rules. Canadians deserve absolute confidence that electoral outcomes are not being influenced by anonymous, foreign or untraceable capital. To that end, Bill C-25 prohibits the use of crypto-assets, money orders, prepaid credit cards, gift cards and other similar instruments. These instruments are often exploited to obscure the origin of funds. By modernizing these rules, we are closing loopholes, enhancing transparency and ensuring that every dollar of political funding can be identified, verified and held to account.

While third parties will generally be required to fund regulated electoral activities through contributions from Canadian citizens and permanent residents, we also recognize that many legitimate organizations are not structured around political donations. Entities such as labour unions, industry associations and professional groups generate revenue through standardized activities like membership fees and dues. We believe these voices are vital to democratic life and should not be excluded.

Following on the recommendation of the Chief Electoral Officer, third parties whose contributions represent 10% or less of their annual revenue may utilize their own existing funds to support regulated activities. This ensures we maintain the integrity of our political financing system while protecting the ability of diverse voices to participate in public debate. This strikes an essential balance between the transparency we demand and the participation we all encourage.

I want to speak a little bit about personal security and well-being. Unfortunately, the deteriorating tone of our political discourse is no longer just a matter of debate; it has become a direct threat to the safety of those who participate in our democracy.

Malignant actors are increasingly resorting to harassment, intimidation and targeted threats against candidates, party staff and the election workers who serve at the heart of our polling stations. These tactics of fear have no place in our society, yet they are creating a climate where the physical security of those involved in our elections is being actively compromised.

In 2025, for the first time in a Canadian federal election, the government was compelled to offer private security services to protect candidates — 22 of them — facing abuse, threats of harm and intimidation. I must stress that this is entirely separate from the standard police protection provided to party leaders and cabinet members.

Bill C-25 takes necessary, concrete steps to confront this alarming trend by prioritizing the safety of every participant in our democratic process. The bill provides tangible security enhancements, including a modest increase in the reimbursement available for personal security expenses for candidates, ensuring they have the resources to protect themselves against credible threats.

Furthermore, it institutes vital privacy protections for election workers, such as removing the home addresses of returning officers from the *Canada Gazette* and implementing new security measures for advertising and reporting on regulated fundraising events to prevent the exposure of event locations to malicious actors.

Colleagues, these provisions are not about shielding government activity from public oversight or creating a veil of secrecy; they are a direct response to the urgent need to keep people safe from illegitimate scrutiny and physical harm. By adopting these measures, we are choosing to protect the well-being of the individuals who sustain our democratic institutions, ensuring that intimidation and the threat of violence do not become the new cost of public service.

Bill C-25 includes a series of technical amendments to rename 19 electoral districts across the country. It is important to clarify that these changes are not an initiative of the government; rather, they are the direct result of requests made by the sitting members of Parliament who represent those specific ridings.

Because riding names are enshrined in the Canada Elections Act, any amendment to them requires the approval of Parliament, which is why these changes have been included within this legislation.

I note that the bill comes to us from the other place amended. As part of the scrutiny by the Standing Committee on Procedure and House Affairs, through detailed clause-by-clause review, a series of technical, non-substantive amendments were adopted that refined the bill's administrative mechanics, improving precision in areas such as electoral district naming, ballot box security and fundraising transparency. These changes corrected drafting issues, clarified operational provisions and harmonized new measures within the existing Canada Elections Act framework. As a result, we received a strengthened bill, with clear safeguards against foreign interference and electoral mismanagement both effective and workable.

Honourable senators, as we continue this vital debate, it is worth remembering that the greatest threats to democracy rarely arrive with a roar; more often, they arrive in a whisper — gradual, incremental and insidious — for example, as a misleading video, a coordinated disinformation campaign, a foreign influence operation, a privacy breach, an opaque source of funding or a fabricated story that reaches millions before the truth has a chance to catch up. Individually, each may appear manageable. Collectively, they corrode the foundation of public trust. And trust is the oxygen of democracy. Without trust, every result becomes suspect, every institution becomes vulnerable, and every election becomes a target.

• (1730)

Bill C-25 is ultimately about protecting that trust — trust that elections are fair, trust that voters are informed by fact rather than synthetic deception, trust that personal information is secured, trust that foreign actors cannot manipulate our outcomes and trust that democratic participation remains open, secure and accessible to every Canadian.

The architecture of Bill C-25 follows a clear, necessary framework: It strengthens protections against foreign interference. It modernizes our response to disinformation and deceptive "deepfakes." It creates stronger privacy obligations and accountability measures for political parties. It addresses abuses associated with unduly long ballots. It expands enforcement powers and strengthens penalties. And it enhances transparency in political financing, while reducing the risk of anonymous, foreign or otherwise untraceable money influencing democratic outcomes.

None of these measures on their own will guarantee the future integrity of Canadian elections. No legislation can do that. But together, they make our system more resilient, more transparent and more responsive to the realities of the 21st century. And, importantly, they do so while preserving the freedoms that lie at the heart of democratic participation.

As I conclude, I want to emphasize that this bill did not emerge in a vacuum. It is the product of extensive consultation and expert analysis. It reflects the considered recommendations of the Chief Electoral Officer, the Commissioner of Canada Elections and the Public Inquiry into Foreign Interference.

Bill C-25 incorporates those critical, expert-driven consensus recommendations that can be actioned pragmatically and directly in the Canada Elections Act. Furthermore, this legislation comes to us after extensive study and debate in the other place, where amendments were considered and the bill was passed without division.

The timeline we are working on is not a matter of haste, but a response to the urgent necessity of the challenges we face. The question before us is not whether this framework is perfect. The question is whether it meets the moment. Measured against that standard, it is hard to argue that the answer is anything other than "yes."

Bill C-25 makes Canada's electoral system stronger. It makes it more resilient against foreign interference. It makes it better equipped to address modern disinformation. It provides greater accountability for personal information. And it increases public confidence that elections remain free, fair and secure.

Strong democracies do not wait for failure before making repairs. They strengthen the foundation while the structure is still standing. I believe Bill C-25 meets this moment. For those reasons, I encourage all honourable senators to support this legislation.

Thank you, *meegwetch*, *shukran*.

The Hon. the Speaker: Senator Mohamed, will you take a question?

Senator Mohamed: With pleasure.

Hon. Raymonde Saint-Germain: Thank you for your enlightening speech. My question is about the Chief Electoral Officer's perspective on this bill. When he appeared before committee at pre-study, he was unequivocal in his support for Bill C-25 because it aligns with several recommendations of his 2024 report on protecting the electoral process.

He also highlighted that a requirement for transparency markers when electoral communications involve AI-generated content should be considered so that electors can be clearly informed when such content is used. You alluded to this in your speech, notably regarding how the bill addresses false information and what we could call the "deepfake" clause.

However, given growing concerns around misinformation and attempts to manipulate voters, on the principle, could you tell us more about the government's position on this issue and why it meets the moment, as you said in your conclusion?

Senator Mohamed: Thank you, Senator Saint-Germain.

The government did consider the recommendations of the Chief Electoral Officer with respect to this issue, and it's important to emphasize that Bill C-25 is already a strong response to the dangers posed by AI. Specifically, the bill introduces a new, comprehensive offence of digital impersonation and strengthens the prohibitions against the misuse of computers to interfere with an election.

While transparency markers remain a topic of interest — and this was his recommendation — they involve complex technical and administrative questions that intersect with broad digital policy and platform regulation.

Senator, the government chose to prioritize the elements of this bill that provide immediate, tangible safeguards for electoral integrity — safeguards that can be enforced the moment this bill receives Royal Assent. I have no doubt that the government may choose to move further in the days, weeks, months and years to come as we learn more about AI and "deepfakes." Thank you for the question.

Hon. Denise Batters: Will Senator Mohamed take some questions?

Senator Mohamed: With pleasure.

Senator Batters: First of all, the Chief Electoral Officer also provided several proposed amendments to our committee which were not included in the bill, and we didn't have time to properly study them, which was noted in our report.

But my question is about the unduly long ballot issue. You're right; it is an important part of Bill C-25. Thank you for the explanatory part you included in that because that was a very confusing part of our pre-study during our committee. First of all, we had the Chief Electoral Officer — who I believe is a lawyer — actually proactively mention that there is this new offence of conspiring or counselling somebody to potentially sign a large number of these nomination papers to create these long ballots. And there is also the offence of somebody signing more than one nomination paper.

The Chief Electoral Officer proactively pointed out that while there were two different offences, the maximum penalty was the same for both. I don't know if it was that he misspoke or what have you — and it tweaked my interest because I was so surprised about it — but he said that it was a maximum $1,000 fine for both of those offences, no matter if you had potentially counselled someone to sign 1,000 different nomination papers or if you had mistakenly signed a few yourself.

Given that, we then had Minister Steven MacKinnon come to our Legal Committee right after that panel. I asked him about that, and he confirmed that that was the case. He also confirmed that, yes, they were two different offences, but the same maximum penalty of $1,000.

He is a very experienced politician, and I was surprised to hear that. So it actually then took the government, I think, 10 days to send a short memo by email from officials to our committee briefly attempting to explain this issue and to provide some of the same explanations that you provided today. It wasn't the minister. It wasn't the Chief Electoral Officer. It was these officials.

Now this bill will have a very short, truncated study that we're going to be doing potentially tomorrow on this, with no witnesses who have actually even accepted to come to our committee — so I don't know what kind of a study it's going to be despite our pre-study comment — but why were both the Chief Electoral Officer and the minister so wrong about that? How did that kind of miscommunication happen? What was the explanation as to why there was such a difference between what you're explaining today and what they said that day?

Senator Mohamed: Thank you, Senator Batters. First of all, I'm pleased that you got the information. I think that's the most important part when looking at a bill under consideration.

Second, I'm not in a position to speak for either the Chief Electoral Officer or the minister. What I can tell you is that the minimums don't change. But the reason there is a maximum is to give the Commissioner of Canada Elections the latitude to use her expertise to say that if it's a minor thing, we should take that into consideration. If there is a major breach, then that means that the maximum penalty should be considered.

So I would say three things. First, there is absolute clarity that it's $1,500 to $25,000 for individuals. It's $10,000 to $100,000 for entities.

Second, the commissioner has the expertise to refer and ask for information to decide what would be an appropriate penalty. That's on a sliding scale.

• (1740)

Third, when considering things like a long ballot, we're in a different space now. We're learning more things, and it's important to create space for people like the commissioner to use their discretion, expertise and new powers to make sure that, whatever offence occurs, there is a proportionate response.

Senator Batters: Thank you.

First, luckily, our committee did receive a brief email — I believe it was maybe a few paragraphs — explaining this, but that was something that just went to our committee. If you hadn't mentioned it in your speech, those things would have gone unchallenged. They received a fair bit of play during the committee debate on that important issue, where we're trying to limit these unduly long ballots because they really hamper democracy. We need to make sure we get this right.

As far as you saying you can't speak for this person or the minister, since you're the government bill's sponsor, unfortunately, you have to speak for the government because we have not heard a speech from the government or received any answers about this bill. When the minister comes to committee and gets something so wrong, it's legitimate to say that we need to know why. That is especially so because we're not going to have the chance to hear from the minister tomorrow as part of our committee study. I won't be able to ask him, as I would like to, why he got this so wrong; he is an experienced parliamentarian, as I said.

It would be helpful if you could perhaps find that out from the government and have that answer for when we potentially meet tomorrow.

Senator Mohamed: Senator Batters, the most important thing is that you have the information now. That's absolutely key for you when considering this bill. Thank you.

[*Translation*]

Hon. Julie Miville-Dechêne: Would Senator Mohamed take a question?

[*English*]

Senator Mohamed: With pleasure.

[*Translation*]

Senator Miville-Dechêne: I know that this bill introduces a number of improvements regarding how political parties protect personal information.

However, you know as well as I do, since you were there during the committee's work, that several experts, including Philippe Dufresne, the Privacy Commissioner, and Thierry Chiasson, a political science professor from Université Laval, were very critical of the fact that political parties are not meeting what is considered to be the minimum standard for privacy protection, as set out in, for example, the Personal Information Protection and Electronic Documents Act, or PIPEDA.

What's your view on this? When it comes to something as simple as seeking permission to collect personal information, as we were told, political parties generally rely heavily on social media to gather information on voters. How do you justify the fact that political parties are still not reaching the minimum threshold deemed acceptable by privacy experts?

The Hon. the Speaker: Senator Miville-Dechêne and Senator Mohamed, I just want to let you know that the allotted time has expired. Are you asking for more time to answer the question?

[*English*]

Senator Mohamed: If the chamber agrees, yes, please.

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

Hon. Senators: Agreed.

An Hon. Senator: For one question.

The Hon. the Speaker: For one question, it is agreed.

Senator Mohamed: Thank you very much for the question.

The issue of privacy and political parties is absolutely key. I asked the same question, and I feel very comfortable now saying that the understanding is that it's the functionality of the political party. PIPEDA applies in one instance; the Privacy Act applies in another. However, as I said in my speech, it's incredibly important that parties have the latitude to conduct their work.

With this new legislation, there are so many new things that the parties will now have to adhere to regarding the way they store, collect and protect. This extends to the third parties they work with. They will now have to meet on an annual basis with the Chief Electoral Officer.

PIPEDA and the Privacy Act will not be the right fit for what political parties absolutely need to do, which is why it's important that they have this regime and that the measures as to how they protect privacy are amped up. For that reason, this is a solid way forward.

I have no doubt that we will continue to look at this. Information is collected in different ways, and it's incumbent on parties to make sure they are providing the information to the Chief Electoral Officer. I remind you that there are penalties if they fail to do so.

Hon. Colin Deacon: Honourable senators, I am also rising to speak at second reading of Bill C-25, the Strong and Free Elections Act.

First, thank you, Senator Mohamed, for your excellent speech. I took a few notes. Trust is the oxygen of democracy. I think trust is very much the oxygen that feeds any organization that is dealing with data. Political parties are engines of our democracy. Our system must be resilient, accountable and ready for new challenges, absolutely. We need to identify vulnerabilities before they become crises.

Regarding all of these pieces, I think you're right on the money.

As might be expected, this stand-alone bill includes comprehensive reforms to the Canada Elections Act, including many amendments that have been long recommended by the Chief Electoral Officer and the Commissioner of Elections. There are also changes to privacy and security measures that federal political parties must follow when collecting, using, retaining, disclosing and disposing of the personal information of identifiable electors.

By now, you may have noticed that I'm passionate about data rights and privacy. Having been the CEO of two different businesses in my past life, I know the responsible management of this very issue was critical to our securing international customers. As a senator, I was honoured to be asked to be the Senate sponsor of the last two legislative efforts to update PIPEDA, for Bill C-11 in 2019 and Bill C-27 in 2021. Unfortunately, neither made it past the partisan wall in the House.

In short, though, I've spent a lot of time thinking and worrying about data and privacy rights.

I commend Minister Solomon for his announcement of what appears to be a real strengthening of consumer privacy in Bill C-36 — many of you saw that announcement yesterday — with the important inclusion of advancements like the ability to ask for your personal important information to be deleted, enhanced transparency regarding how your personal information is used, data protections relating to minors and the power to combat surveillance pricing.

However, I must note that none of these advancements are included in Bill C-25, the Strong and Free Elections Act.

Regarding Bill C-36, as a total aside, I look forward to learning and understanding more about the shift away from privacy and data rights being managed by an officer of Parliament and the development of a new regulatory authority.

To return to Bill C-25, it includes amendments that focus specifically on the use of the personal information of identifiable electors, being those Canadians adults who are registered to vote and minors who are 14 years of age and older. Importantly, as compared to previous legislative efforts, Bill C-25 is not an omnibus bill. This is very important because the previous changes were included in the Budget Implementation Act, 2023, and then in the Making Life More Affordable for Canadians Act, which were omnibus bills. Those bills resulted in two changes to the Canada Elections Act, the first being:

> . . . to provide for a national, uniform, exclusive and complete regime applicable to registered parties and eligible parties respecting their activities in relation to personal information, including the collection, use, disclosure, retention and disposal of personal information.

The second was to retroactively shield federal political parties from accountability for their collection and use of the personal information of identifiable electors who have had the right to vote over the past 25 years.

If I've learned anything over the past three years, it's that political machines are incredibly powerful forces, especially when three of them find an issue that they all agree on. Regardless, here we are, and we're on the clock as a result of the government's programming motion. Third reading of Bill C-25 is scheduled for Thursday. In this speech, I'm going to do my best to help you understand the implications of clause 36 on pages 19 to 21 of Bill C-25.

• (1750)

Colleagues, we all know that Canada faces a series of overlapping crises. Our increasingly dangerous and divided world is full of geopolitical risks, not only in the form of trade pressure, stagflation, military posturing or critical mineral competition but also in a much quieter and less visible form: the ability of foreign actors to access, exploit and weaponize personal information.

We also increasingly understand that we rely on data to make everything in our lives work during every minute of every day and that the majority of infrastructure that holds the data of Canadians is owned or controlled outside our borders and subject to foreign legal regimes that can compel disclosure, regardless of where data physically resides.

Large data sets, like voter files, donor records, canvassing notes and behavioural profiles, are exactly the kinds of assets that a hostile or even nominally friendly foreign power can use to run targeted influence operations, tailor disinformation to specific communities or simply embarrass and coerce individuals.

Our own intelligence services have flagged this repeatedly.

This infrastructure challenge is an inevitable reality due to two American laws: the CLOUD Act and the Foreign Intelligence Surveillance Act, or FISA. These laws give U.S. government agencies the power to compel cloud service providers to hand over data, even when it isn't actually stored in the U.S. Servers based in Vancouver, Calgary or Montreal all fall under U.S. government authority when they are owned by the subsidiary of a U.S. company.

Unfortunately, until very recently, storing Canadian data in Canada on Canadian-controlled servers has not been a priority. But even when data resides on a sovereign, Canadian-owned server, there remains a 75% chance that data will still transit through a foreign jurisdiction when communicating with another sovereign, Canadian-owned server.

For those who believe the problem of foreign legislative control is purely hypothetical, a recent example suggests otherwise. Last weekend, U.S. Secretary of Commerce Howard Lutnick issued an export control directive that prevents Anthropic from allowing foreign nationals to use its most advanced models.

That's a broad description of the landscape of risk that Canada is dealing with at this time. Now let's focus on a subset of that landscape, and that's the personal information of identifiable electors held by Canada's federal political parties and the proposed legislation in clauses 31 and 36 of the strong and free elections act.

First, why is political party data different?

It's tempting to think of political party data as just another category of consumer data, comparable to what a bank, a telecom or a retailer holds. It's not. In many respects, it's more sensitive and, as we now know, the accountability structure around it is weaker.

Consider what these databases actually contain. Beyond name, address and contact information, party databases hold voter preference scores, donation history, volunteer activity and, as stated by Professor Andrea Lawlor of McMaster University during her testimony to the House of Commons Standing Committee on Procedure and House Affairs, information on religion, the number and age of their children and personal economic data.

This is not incidental information. This is precisely the kind of profile that tells a foreign actor not just who someone is and where they live but also what message would move them, what fear or desire could be exploited and what relationship could be disrupted.

Yet federal political parties remain almost entirely exempt from the privacy laws that protect citizens from having their data used without their consent and in ways citizens would not knowingly condone. With the implementation of Bill C-25, political parties will continue to self-govern the collection, retention, use and sharing of electors' personal information without their consent. This is because they will continue to be exempt from the basic privacy protections that apply to virtually every other institution in Canada, including small businesses.

Political parties are also not subject to provincial law, due to previous legislation included in Budget 2023 and in Bill C-4 several months ago. Instead, they must comply with a self-governance regime and thin disclosure requirements under the Canada Elections Act, requirements that, as I will explain, Bill C-25 does far too little to strengthen.

This is not a hypothetical concern. Colleagues will recall the recent data breach in Alberta, where the personal information of nearly 3 million Albertans was made available in an online, searchable database. Professor Lawlor highlighted that this demonstrates the extent to which internal party mechanisms are not sufficient and that the public has little recourse when things go wrong. In the technical briefing, which Senator Senior and I attended and was hosted by Senator Mohamed, officials confirmed that each of the 14 registered federal political parties currently has access to the entire national list of electors.

Please, for a moment, consider the young mother who has travelled the terrifying path required to flee an abusive relationship or a new Canadian working to avoid the retribution of the state from which they fled and now speak against or a Canadian politician who is speaking against aggressive and often unidentifiable separatist voices. Imagine the fear that this Alberta voter data breach has instilled in these vulnerable individuals as they realize that their home address and personal contact information, which they have fought to keep private, are now public.

Second, what was Bill C-25 supposed to fix, and why does it fall short again on privacy issues?

This chamber debated many of these issues at length during consideration of Budget 2023 during that spring and Part 4 of Bill C-4 last winter. The Senate debate on Bill C-4 resulted in an amendment that sunsetted the provisions after three years, giving the government ample time to bring forward more tenable, privacy-protective legislation. This amendment was rejected by the government, saying that the Senate had no business meddling in the Canada Elections Act, implying that it should be the House's sole jurisdiction.

To its credit, the government introduced Bill C-25 just two weeks after Bill C-4 received Royal Assent. It's a fulsome, stand-alone bill, no doubt, and it addresses a wide range of issues that genuinely needed fixing.

But on the question of privacy and the collection, use, retention and sharing of data on electors, it falls profoundly short. I'm concerned about the process as much as the substance. The government again chose to expedite study of this bill. There were only three meetings at the Standing Committee on Procedure and House Affairs, where the Privacy Commissioner was explicitly not invited to testify. At the end of this short study, one amendment to clause 36 was proposed by MP Michael Cooper. It was to add the word "knowingly" to the prohibition on parties providing false or misleading information and would further weaken the bill. I found it interesting that, at the end of the study, the effort was to actually weaken privacy protections, not strengthen them.

Here in the Senate, we've only been able to conduct a partial and rushed pre-study at the Standing Senate Committee on Legal and Constitutional Affairs, and now there's a mandated deadline to vote on this bill on Thursday, in two days. We received it yesterday, and we have to vote on it in two days.

Colleagues, even I'm feeling fatigued on this issue, but fatigue is not a reason to wave through legislation that leaves Canadians' most sensitive political data inadequately protected.

Three, what do clauses 31 and 36 actually do?

Clause 31 would amend paragraph 385(2)(k) of the Canada Elections Act to say, "the party's policy for the protection of personal information . . . ."

Clause 36 is where much of the meat is. It would require parties to protect personal information through physical, organizational and technological security safeguards; take certain steps in the case of loss of, unauthorized access to or unauthorized disclosure of information resulting from a breach, including informing affected individuals if there is a real risk of significant harm, which are both defined terms; ensure that any third party receiving personal information from a party provides an equivalent level of protection, not the Personal Information Protection and Electronic Documents Act, or PIPEDA, for example, but protection equivalent to the political party's privacy policy; have the party's privacy officer attend at least one meeting per year on the protection of personal information held by the Chief Electoral Officer, who is not an expert in privacy or cybersecurity; refrain from providing false or misleading information about why a party collects personal information; refrain from selling personal information; and refrain from disclosing personal information to the public for the purpose of causing harm.

• (1800)

Clause 36 defines what constitutes "significant harm" for the purposes of breach notification, stating that it would include bodily harm, humiliation, damage to reputation or relationships, loss of employment or business opportunities, financial loss, identity theft and damage to or loss of property.

On their face, many of these items look like steps forward, and, in fairness, they are steps forward from the status quo. But, colleagues, when you place these provisions alongside the Personal Information Protection and Electronic Documents Act, or PIPEDA, and what ordinary small and large businesses are required to do or — more importantly — alongside what the Commissioner of Canada Elections, the Privacy Commissioner of Canada and outside experts have told us is actually needed, the gaps are large and unmistakable.

Fourth, why is this particular form of self-regulation a problem? Here is the heart of my concern: These minimum standards are not, in fact, standards set out in statute or applied uniformly. They are requirements that parties adopt their own privacy policies, which must address certain topics. However, the content and rigour of these policies remain entirely within each party's absolute discretion. Enforcement, as a result, depends on a party breaching its own self-adopted policy and not on violating clear overarching statutory obligations that apply equally to all parties.

What does that mean in practice? Well, if Party A adopts a robust privacy policy and Party B adopts a minimal one, both are in compliance with the law, even though Canadians whose data sits with Party B have meaningfully weaker protections.

Additionally, these differing policies represent a significant enforcement challenge according to Elections Canada and the Commissioner of Canada Elections. First, these are non-expert bodies in the field of data rights and privacy. Second, they are being asked to enforce as many as 14 different privacy policies. And third, each of these political parties is free to determine, without any consultation, whether an infraction has actually occurred.

The Commissioner of Canada Elections, Madam Caroline Simard, told the committee directly that a single set of rules set out in the act and applicable to all parties equally would be far preferable to enforcing a patchwork of party-specific policies. Their recommendation aligns with the simple governing statement affirmed twice in legislation that there be a:

> . . . uniform, national, exclusive and complete regulatory regime governing federal political parties' collection, use, disclosure and disposal of personal information.

That phrase has been said in this chamber many times over the last three years, and that's what the government committed to. It is not what we are seeing delivered.

Fifth, what is the gap in breach reporting? Bill C-25 requires parties to notify individuals in the event of a breach that poses a real risk of significant harm. That is a positive step, but it is incomplete in three crucial ways.

First, there is no requirement to report breaches to any independent third party — not the Privacy Commissioner of Canada and not even the Chief Electoral Officer of Canada. The Commissioner of Canada Elections raised this repeatedly during examination in the House of Commons and during pre-study in the Senate. Her request was straightforward: that her office be notified of breaches so that she could determine whether an investigation is warranted. Simply, how would her office obtain the evidence needed to investigate if she is unaware of a breach, especially if there is no mandatory retention period for related documentation to be held by parties, candidates and electoral district associations?

Second, the timing of notification is vague — it is as soon as possible — without a defined outer limit.

Third — and perhaps most troubling — is the threshold, and that is a real risk of significant harm. It is a threshold assessed by the political party itself — the party that is responsible for the breach. The party that experienced the breach is the same party deciding whether it rises to the level of requiring disclosure.

As was plainly noted during the technical briefing on Bill C-25, this creates an incentive for political parties to both draft a weaker policy at the outset and to under-report based on a looser interpretation of the self-imposed policy. The absence of consistent standards, transparency and regulatory awareness compounds the true scale of the risk that Canadians face if this legislation becomes law.

Sixth, what are the consent and data-sharing loopholes? First, under Bill C-25, parties may share personal data with third parties without obtaining consent from the individuals concerned, which is a significant departure from the norms that apply under PIPEDA. While the bill prohibits the outright sale of personal information, it does not restrict the type of entity that may receive data nor — as the Privy Council Office officials confirmed during the technical briefing — does it prevent those data from being traded or exchanged for non-monetary benefit.

Second, nothing in the bill prevents a federal party from sharing voter data with a provincial party or any other affiliated political actors, as we recently saw happen in the Conservative leadership race in British Columbia.

Third, when the data are shared — be it with an organization that is foreign or domestically controlled — the receiving party is only subject to the political party's privacy policy, not PIPEDA.

I think it's important to acknowledge the perspective offered by Minister MacKinnon at the Standing Senate Committee on Legal and Constitutional Affairs on May 27. He argued that political parties are already, in his words, ". . . the most heavily regulated sector in Canada . . . ." He also spoke from his own personal experience as national director of the Liberal Party, stating that:

> The use of elector data — and this was 20 years ago — was considered something next to sacrosanct in our party, and we had a clear awareness that it would be a serious offence to misuse that information, so we set up serious protocols, even then, about its use, its sharing and how we fence it off so that no one ever gets a complete picture.

I believe the minister, but as legislators, should we rely on the goodwill of all 14 federal political parties? I think doing so would be profoundly naive and would jeopardize the personal information of millions of electors across Canada.

The minister also raised a point about consent in the context of door-to-door canvassing: The relationship between a candidate and a constituent is not the same as a commercial transaction — and Senator Mohamed already spoke to that extremely well — and a rigid consent requirement could create a real barrier to the kind of direct democratic contact that we should be encouraging.

I agree with the minister when he said, specifically, ". . . that we need customized tools and provisions."

There is a legitimate question about how consent frameworks designed for commercial relationships translate into the political sphere, but acknowledging that the form of consent may need to differ is not the same as concluding that there should be no enforceable standard.

It's also worth noting that a 2020 poll conducted by McMaster University found that 71% of respondents said that a political party's stance on privacy would affect their willingness to speak to campaign staff. In fact, the solution proposed in Bill C-25 may make the problem worse.

Seventh, how do the provisions in Bill C-25 reduce the risk of foreign interference? Colleagues, we cannot discuss this bill without returning to the broader context I opened with. Minister MacKinnon explained to our committee that Bill C-25 draws on the recommendations from the Chief Electoral Officer, the Commissioner of Canada Elections and the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions.

Yet when it comes to the specific intersection of data privacy and foreign interference, the bill's approach is indirect at best. It does not explicitly integrate cyber and data breach risk considerations into its provisions in any binding way. Instead, it relies on parties to acknowledge "technical threats" within their self-authorized privacy policies.

Given everything we know, the Commissioner of Canada Elections noted that political parties hold highly identifiable data and that any hack or leak, legal or not, ". . . can have devastating impacts on individuals, and potentially give foreign adversaries capacity to tailor election interference."

This indirect approach is simply not commensurate with the recommendations to government or the stakes in terms of individual and collective sovereignty.

Finally, what does the public actually want?

• (1810)

I conclude by speaking about where Canadians themselves stand on the question. A 2019 poll commissioned by the Centre for Digital Rights found that only 9% of Canadians knew that political parties were exempt from federal privacy laws. I found that in my own personal experience when I asked Canadians, friends and neighbours, "Do you realize there are virtually no restrictions on political parties and how they manage your personal data?" People are shocked; they have no idea. I don't know what you found in conversations with people, but they are absolutely shocked.

Upon learning this, 88% agreed that political parties should be subject to the same privacy laws as other organizations.

That's the big question here. Is it PIPEDA or nothing, or PIPEDA and something that is designed in a collaborative way to meet the needs of individuals and distinct needs of political parties? I think it's the something in between that we are still not getting.

This result was echoed in a recent 2026 Ipsos poll that found that only 10% of Canadians support the current model of party self-regulation. In another Ipsos poll earlier this month, following the Alberta data breach, at least four in five Albertans agreed that the privacy law applying to businesses should also apply to political parties.

Canadians are saying there needs to be something they can count on. There needs to be transparency and strength in an act like this.

Colleagues, the leaders of all three major parties have publicly affirmed the importance of Canadians' data rights and privacy, of protecting our privacy and our data, and that it's part of building a stronger, safer and more sovereign country — the leaders of each of the parties that have led this initiative.

On the Alberta data breach, Prime Minister Carney stated, "We must be constantly vigilant to protect the rights of Canadians and the integrity of our democratic processes." During the pre-study, Minister MacKinnon said that protecting the privacy of electors' personal information is sacrosanct. But there is a gap — and it's a wide one — between those public commitments and what their party officials have actually negotiated into this bill.

Again, in this light, remember that the Privacy Commissioner — the officer of Parliament with the institutional expertise in privacy law, breach assessment and enforcement — was purposely not consulted in the development or review of clause 36.

Consequently, Canadians do not have legal rights that are basic features of privacy regimes in the EU, the U.K., New Zealand and, indeed, in Quebec and British Columbia for provincial parties.

Trust is a foundational element of a strong democracy. In a digital world, our trust in every organization and institution is grounded in how they use our information to meet our needs, not theirs.

In the past, voters would choose their political party. Today, our political parties can use Canadians' personal information to choose their voters by identifying those with whom a particular message will resonate most. It's called "microtargeting." It's a long-established data-driven marketing and advertising strategy that uses and analyzes identifiable personal information to segment audiences into extremely small groups.

Microtargeting is what enables surveillance pricing, something that we've been hearing a lot about recently. It is the enabling technology and process. It is also how parties achieve active political engagement. You and your 10 neighbours may all vote for the same party, but you may be doing it for very different reasons. Those who don't agree with a given message won't even see it. This is how political coalitions are built.

Microtargeting is enabled by weak privacy laws, and I believe it is a polarizing force. It has created a polarizing climate where, as Senator Mohamed pointed out, the physical security of many of our politicians is being compromised. It is also the opposite of what Canadians seem to be looking for right now and responding to over the past year: a strong and positive message that unites our collective efforts around one common goal. When I see how the 2025 election unfolded in my province, it was that one common positive message that had the greatest effect, not microtargeting.

Colleagues, I realize the clock is ticking — on my speech and our processing of this bill — as a consequence of the government's closure motion. There is a stated deadline for third reading of 12 p.m. on Thursday. There is fatigue, real fatigue, especially after the long debates on Bill C-4. I also recognize that Bill C-25 contains genuine improvements from the extremely low standard of the status quo.

It strengthens investigative powers for the Commissioner of Canada Elections; it increases funding for enforcement; it creates a new administrative monetary penalty regime with public disclosure requirements; and tighter rules on access to preliminary elector lists will be in place in the future.

But on the specific question of what matters most to our long-term democratic resilience and our sovereignty in an increasingly hostile digital world, this bill leaves serious gaps unaddressed as it relates to the protection of the identifiable personal information that political parties hold on millions of Canadians.

This is why all three officers of Parliament with responsibilities related to clause 36 — the Privacy Commissioner, the Chief Electoral Officer and the Commissioner of Canada Elections — have recommended that Bill C-25 be amended.

Before we send this bill forward, or before we conclude our study of it, I believe this chamber owes Canadians answers to five questions.

First, why does Bill C-25 continue to rely on party-authored privacy policies rather than establish a single statutory set of minimum codified privacy rules that apply uniformly — as is promised in what we passed in previous legislation — to all federal political parties, as recommended by the Commissioner of Canada Elections?

Second, why does the bill require breach notification to affected individuals but not to the Commissioner of Canada Elections or the Privacy Commissioner, given the commissioner's stated concern that this gap would hinder her ability to investigate foreign interference?

Third, how do the parties justify the fact that they actively avoided engagement with the Privacy Commissioner of Canada — the parliamentary officer with the most relevant expertise — at every stage in the development of this bill?

Fourth, why does the bill permit parties to share Canadians' personal information with third parties, including provincial parties and affiliated entities, without consent and without restriction on the type of recipient, when 84% of Albertans just polled believe that parties should be held to the same privacy standards as private-sector organizations?

Fifth, given that the government has cited the Public Inquiry into Foreign Interference as a key input to this bill, why does Bill C-25 not explicitly and directly integrate cybersecurity and data-breach risk into its core privacy and security provisions, rather than leaving this to be addressed indirectly through party-drafted policies?

Time is beyond short. I doubt that any of these questions can be addressed to the satisfaction of this chamber over the next 48 hours because we received this bill yesterday, and we have to vote on it Thursday afternoon.

Each of us will have to decide by then whether we are comfortable defending the privacy provisions currently included in Bill C-25, the strong and free elections act, to our families, friends, neighbours and other Canadians.

Data privacy rights are foundational to our individual and collective prosperity and sovereignty. I couldn't live with myself if I didn't challenge the state of privacy rights in Bill C-25. I believe I would lose the credibility I have earned throughout my career in the private sector and in the Senate working on these issues if I didn't challenge the weakness of the privacy protections in this bill. Colleagues, I ask: What are you prepared to do? Thank you.

Hon. Donna Dasko: Honourable senators, I rise today to speak very briefly to Bill C-25. I support this bill with one significant reservation, which I will address first.

I welcome the political party privacy provisions contained in the bill, as I see them as improvements on the provisions of Bill C-4, Part 4, which this chamber debated vigorously just a few weeks ago. These improvements, however, do not go nearly far enough, in my view. In his brief to the House Standing Committee on Procedure and House Affairs, Professor Michael Geist states that Bill C-25's framework:

> . . . in its current form, leaves federal political parties subject to weaker privacy obligations than virtually any other organization in Canada. . . .

This translates into significant inadequate protection for Canadians. Political parties directly generate some of the information they hold; other information comes from third-party providers. Much of this information from both sources is extremely sensitive.

• (1820)

The government and Parliament need to find a way to bring political party privacy provisions into line with the protection that Canadians deserve.

Senator Colin Deacon, you have given us the entire framework for us to study and move forward whenever that is. I conclude with regret, however, that this will not be accomplished via Bill C-25 and will likely have to be tackled in other ways at another time, unless, of course, there are amendments in the process over the next few days, which I would welcome and support.

I serve on the Standing Senate Committee on National Security, Defence and Veterans Affairs. I am a member of the Canadian NATO Parliamentary Association, and I am actively engaged in monitoring Russia's illegal war against Ukraine. Everything I have learned in these fora convinces me that we need to move quickly and as fully as we can to protect Canada's electoral system through the other provisions that are included in Bill C-25.

Canada's awareness about foreign interference has come at us rather quickly if we think about the three years between *The Globe and Mail* breaking the story, in early 2023, about foreign interference in the 2021 election and now the implications of the leaked or sold voters lists in Alberta in the last few weeks. It is about the use, or abuse, of information and relationships, power and influence. So much is at stake.

As you may know, on April 30, 2026, the Standing Senate Committee on National Security, Defence and Veterans Affairs released a report entitled *Russia's Disinformation: Understanding the Challenge, Strengthening Canada's Response*. In the conclusion to its report, the committee stated:

> . . . the committee is convinced that Russia's disinformation poses an urgent threat to Canada's national security, democratic institutions and social cohesion.
>
> . . . the extent of Russia's disinformation exceeds Canada's current capacity to address it effectively. . . .

In the context of Bill C-25, there also was evidence on Chinese activities in Canada that came from the Canadian Security Intelligence Service, or CSIS, and other sources. But we can no longer assume that threats come only from non-democracies or from state-adjacent players in non-democracies. Players and platforms also exist in democracies, which are being used against Canada and Canadians. Compounding this is that Canada, like most democracies, does not have technological sovereignty.

I urge the Senate to consider Recommendation 7 of the *Russia's Disinformation* report that there should be an expert panel review of Canada's approach to addressing disinformation, including in relation to online platforms and artificial intelligence, which must also consider the structure of the businesses behind these operations.

It is for all these reasons that I also support amendments 5 and 6 tabled by the Chief Electoral Officer before both parliamentary committees that have studied Bill C-25 to date. He proposed to the Standing Senate Committee on Legal and Constitutional Affairs on May 27, 2026, that the provisions on unauthorized use of a computer and false statements also apply where the intent is ". . . undermining the legitimacy of an election or its results."

These would address:

> . . . the deliberate dissemination of inaccurate information about the electoral process with the intent to erode confidence in an election or its outcome. Examples include manipulated videos falsely suggesting that ballots have been tampered with to support the narrative that the election has been rigged or stolen. . . . While any offence in this area should, therefore, be carefully defined, I do believe it is necessary to establish clear limits to guard against deliberate attempts to undermine electoral democracy through disinformation.

In my view, it is fully foreseeable that we will see such activities in Canada accelerate in the near future.

Colleagues, I also wish to endorse Recommendation 3, on transparency on the existence of disinformation, and Recommendation 5, regarding public education on disinformation, in the *Russia's Disinformation* report.

Professor Lori Turnbull said to the House Standing Committee on Procedure and House Affairs on May 7, 2026:

> Democracies — Canada and elsewhere — are facing a very serious array of threats to the health of democracy. I don't think we can regulate or legislate our way out of all those things.
>
> . . . The health of democracy is going to relate to things like civic literacy, voter engagement and voter trust in processes . . . .

I support the seventh recommendation of the Chief Electoral Officer with respect to transparency markers, a topic that came up just a few minutes ago. The intention is to require clear labelling of communications that have been generated or manipulated by AI where the communication is intended to influence how a person votes. This would be a good start to improving transparency and public education.

I urge senators and Senate leadership to find ways to contribute to overdue and essential measures to support Canadians to cope with disinformation in our democracy.

Finally, I urge Senate leadership and senators to ensure that Parliament regularly hears from the Chief Electoral Officer and the Commissioner of Canada Elections on their reports to Parliament. These officers are our experts. They are also a central aspect of our early warning system with respect to the health of our democracy. For various reasons, we have not been using this early warning system effectively, and we must remedy that.

As many initiatives in this Parliament, including Bill C-25, make clear, there is much hard work to be done to support our electoral system to be ". . . free, fair, independent and secure," as Minister MacKinnon has described it.

For me, "fair" includes being representative of our population in all of its diversities, as I have argued with respect to my bill, Bill S-213. Political parties are the single most important link bridge between citizens and the choices made about how they are governed.

In my view, the Senate should never be a rubber stamp to the other place for matters relating to elections and the Canada Elections Act, a view that I have heard expressed a number of times in this chamber. In fact, the opposite, I believe, is true — the opposite.

I have deep respect for the House of Commons. I have been trying for over 30 years to get more women elected to that chamber, so I have deep respect for the House of Commons. However, because of the inherent conflicts of the other place, which we have seen most visibly in the privacy provisions brought forward in this and previous bills, and which do not serve Canadians well, we, in the Senate, must take on enhanced scrutiny of these bills. We must not be deferential. We must not have enhanced deference; we must have enhanced scrutiny from this chamber. We must move in the opposite direction — to enhanced scrutiny. New and troubling issues such as disinformation and foreign influence demand our full attention.

Colleagues, my final statement is this: This chamber has a critical, independent and enhanced role to play in ensuring the health of our democracy as we go forward. Thank you. *Meegwetch*.

Hon. Leo Housakos (Leader of the Opposition): Honourable senators, I rise today at second reading of Bill C-25. This legislation proposes a series of reforms aimed at strengthening election administration, improving transparency and addressing vulnerabilities within Canada's electoral framework.

Colleagues, elections are the foundation of a democratic society. They are the process through which citizens hold governments to account, transfer power and collectively determine the direction of their country. If that process is to retain its legitimacy, the rules that govern it must evolve as quickly as the threats that seek to undermine it.

• (1830)

Bill C-25 is being considered at a time when confidence in democratic institutions is increasingly being tested. Reports from Elections Canada, studies by parliamentary committees, assessments by our national security agencies and, most recently, the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions have all highlighted vulnerabilities within Canada's electoral framework and the need to strengthen public confidence in democratic institutions.

The Hogue Commission confirmed that foreign states sought to interfere in the 2019 and 2021 general elections. While those efforts did not alter the overall outcome of either election, the greater danger lies in the erosion of public confidence.

Democratic institutions depend not only on secure elections but on citizens believing those elections are free from improper influence.

At the same time, the rapid emergence of artificial intelligence has introduced entirely new challenges for democratic societies. Technology now makes it possible to create highly convincing images, audio recordings and videos that can be weaponized and disseminated at an unprecedented speed, particularly during the compressed timeframe of a general election campaign.

Even where such content is ultimately disproven, it can poison the information environment, mislead voters and deepen public uncertainty at precisely the moment in which democratic clarity matters the most. It is against this backdrop that Bill C-25 must be considered. The bill represents Parliament's latest efforts to modernize the Canada Elections Act in response to vulnerabilities identified through recent elections, recommendations from Elections Canada and concerns raised through the Hogue Commission.

More broadly, much of Bill C-25 focuses on modernizing the administration of elections and addressing specific operational vulnerabilities within the Canada Elections Act.

On a practical level, Bill C-25 addresses several vulnerabilities that should have been addressed years ago, including the use of financial instruments that may obscure the source of political contributions. By prohibiting contributions made through crypto-currencies, money orders and prepaid payment products, the bill reinforces a basic principle of democratic accountability: Canadians should know who is financing political activity in Canada.

The bill also responds to the problem of excessively long ballots in certain ridings, a tactic that can create confusion for voters and impose serious administrative strain on election workers. Protecting the integrity of elections means not only guarding against foreign states but also refusing to tolerate deliberate efforts to undermine clarity, order and confidence in the voting process itself.

At the same time, broader concerns remain. The Foreign Influence Transparency Registry, long presented as a key component of Canada's response to foreign interference, has yet to become fully operational. That reality serves as a reminder that strengthening democratic resilience requires more than amendments to the Canada Elections Act alone. It requires sustained attention to the broader ecosystem in which foreign influence occurs.

Beyond these measures, Bill C-25 contains a range of administrative reforms affecting the operation of the Canada Elections Act, including additional authorities for the Chief Electoral Officer, changes to electoral district names and various amendments relating to election administration and political financing.

While differing in scope and significance, these measures all concern the framework through which members of the House of Commons are elected and held accountable. It is with that perspective in mind that legislation governing elections occupies a unique place within our parliamentary system.

Unlike most legislation that comes before us, electoral law concerns the process through which Canadians choose members of the other place. It concerns the rules by which democratic mandates are obtained. For that reason, while the Senate unquestionably has a constitutional responsibility to review and scrutinize electoral legislation, we must also recognize that members of the House of Commons possess a particular democratic legitimacy in determining the framework under which they are elected. Senators do not face the electorate. Members of the House of Commons do.

While that distinction may allow the Senate to provide independent scrutiny, it also requires us to recognize the democratic legitimacy of those who must ultimately defend their decisions to Canadian voters.

Election laws are different from ordinary legislation. They do not simply establish public policy. They establish the rules under which Canadians choose those who exercise democratic power through our political parties and processes on their behalf.

When Parliament considers legislation affecting the electoral process, it's considering the framework through which democratic accountability itself is exercised. Electoral laws are not simply another area of public policy. They establish the rules by which members of the House of Commons obtain their democratic mandate. For that reason, senators should exercise particular caution before frustrating the expressed will of the elected chamber on these matters.

That does not mean senators should abandon their duty of review, nor does it mean that amendments should never be proposed. Rather, it means recognizing that the Senate's role is a very different one. Our role is not to determine the broad direction of electoral reform for political parties. Our role is to ensure that legislation is carefully examined, that unintended consequences are identified and that Parliament benefits from a second perspective before laws are enacted.

However, restraint is a recognition of the distinct role assigned to this chamber. The Senate must be prepared to insist when fundamental constitutional principles, regional interests or minority rights are at stake. But where the elected house has spoken on legislation governing its own electoral framework and the political process of parties in Canada, repeated efforts to frustrate it will risk weakening the very legitimacy that allows the Senate to perform its constitutional role of sober second thought.

Senators should scrutinize legislation thoroughly, question assumptions, hear witnesses and place concerns on the public record. That's our job. However, where the elected house has debated and adopted legislation governing its own electoral framework, the Senate should be reluctant to become an obstacle to that democratic decision without a compelling concern.

One of the greatest prime ministers in Canada once told me that the Senate does have the constitutional right to gut bills. We have the constitutional right to defeat legislation that comes from the other house. But he also underlined that you'd better be damned sure that you have the unequivocal will of the public. I think Senator Tannas laughed because he knows who that great prime minister was, and he would say that on a number of occasions.

In conclusion, Bill C-25 is one step in the ongoing effort to adapt our electoral framework to new realities. While it addresses important vulnerabilities within our electoral system, it cannot be the final word on protecting Canadian democracy.

Members of the House of Commons are directly accountable to voters for the rules they adopt. They must defend those decisions to their constituents and ultimately accept the judgment of Canadians at the ballot box. In exercising our role, we should remain mindful that electoral legislation touches directly on the democratic mandate of those who ultimately answer to the electorate.

I heard Senator Deacon say that his neighbour was shocked and outraged that political parties are self-governing, don't have more transparency or aren't accountable like other organizations. Let me tell you, Senator Deacon, I have a neighbour as well, and he has been following proceedings and debates in the Senate over the past few months. He was particularly shocked when I pointed out that this place is self-governing and absolutely isn't accountable to anyone but itself. I had to explain that unique political reality regarding what a parliament is.

I can tell you something, though, Senator Deacon: With this legislation, the members on the other side are accountable to my neighbour and yours. My neighbour only wished that the Senate would be as remotely accountable as the House is to them, but we are not. That is a reality, Senator Dalphond, that we have to accept. That's why we've always accepted that our role in this institution is to engage in tempered, sober second thought and to always acquiesce to the democratic process.

• (1840)

I also find it a little bit rich that senators, while well within their rights, profess the importance of independence and being at arm's length from political parties and the political process yet are so zealous to, at the first opportunity, dictate and integrate themselves into how the political process should operate.

Frankly, I cannot find any compatibility of a chamber that professes the importance of being at arm's length from the political process because of a desire to be less partisan yet simultaneously feels compelled to jump into the partisan fray and set guidelines for how our political parties in the democratic system can operate.

For those reasons, the Senate's contribution should be one of rigorous scrutiny, careful judgment and institutional restraint. We are not a place of confidence. That is how we best fulfill both our constitutional responsibilities and, more importantly, the democratic expectations of Canadians.

Thank you.

Hon. Colin Deacon: Will Senator Housakos take a question?

Senator Housakos: Absolutely.

Senator C. Deacon: Thank you, Senator Housakos. I didn't say my neighbour. I said I have not yet met anybody who realizes that their data held by political parties has absolutely no restrictions on it at this time.

Have you seen the Standing Committee on Access to Information, Privacy and Ethics report from 2018 entitled *Democracy under threat: risks and solutions in the era of disinformation and data monopoly*? Have you had a chance to review it?

It was a unanimous report from elected MPs — not senators or party officials — during a study of the Facebook Cambridge Analytica affair. It very much said there needed to be the application of PIPEDA to political parties, among many other recommendations.

I don't know if you have had a chance to review that report, Senator Housakos.

Senator Housakos: Not in detail, but I know full well the report you're talking about. I can assure you the House has reviewed it. It's an opinion that I totally disagree with.

Political parties must not be accountable to anybody but the electorate. It's a fundamental principle of the democratic process. It has worked really well in creating one of the best constitutional democracies in the world in this country, so why are we trying to fix something that isn't broken?

In an era when people are sharing their personal data on a daily basis and to such a wide extent on Facebook, TikTok and so on, the data that you and I share on these platforms is far more intrusive than the data political parties collect in order to carry out the democratic political process. For those reasons, I disagree.

Those who equate this with the data regulations and laws in this country for private agencies, financial institutions and others are drawing the wrong parallels.

Political parties, in my opinion — as someone who has been engaged in this for 43 years — go above and beyond in being careful with the data they collect and what they do with it, because we know what the repercussions are.

Recently, in British Columbia, we saw what happened to a political party when there were allegations they were free and loose with data. We saw repercussions in Alberta recently.

We would all agree that the arena of public opinion — when it comes to scolding, going after and holding to account political parties — is far more rigorous and effective than any piece of legislation or regulation I've seen.

Senator C. Deacon: Do you not think there should be any restrictions at all?

Are you supportive of the restrictions in Bill C-25? The reality is we're trying to find something in between what is governing political parties, which is nothing right now, and what is governing other institutions in this country, like the federal government and commercial organizations.

You must be against Bill C-25 because it's actually moving away from self-governance.

Senator Housakos: There are elements of Bill C-25 that we don't support, but you have to walk a very fine line.

If you feel it doesn't go far enough, there is a problem there from our perspective.

I hold sacred the importance of democracy. I hold sacred the importance of political parties being at the core of that democracy. You have a different view, Senator C. Deacon.

You believe that we need to have more bureaucratic controls over our political process and parties. I don't. Bureaucrats have their place, but it's not in the political arena.

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

Some Hon. Senators: Agreed.

An Hon. Senator: On division.

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

(Pursuant to the order adopted by the Senate on June 15, 2026, the bill was deemed referred to the Standing Senate Committee on Legal and Constitutional Affairs.)

QUESTION OF PRIVILEGE

SPEAKER'S RULING RESERVED

Hon. Pamela Wallin: Your Honour, I rise on a point of privilege.

Details of the Special Joint Committee on Medical Assistance in Dying's in camera consideration of the question of access to medical assistance in dying for those whose sole underlying condition is mental illness were shared with the media widely today. This was inappropriate and, I believe, in violation of the Rules regarding an in camera session.

Only one perspective was shared: the view that this right should be denied. They did not share the fact that there were dissenting views and profoundly different perspectives.

We had many witnesses testify that this matter, precisely because of the irreconcilable views, should be referred to the Supreme Court of Canada.

The report had not yet been tabled. It is not yet tabled. Senators have the right to first be informed of the conclusions of this report.

I ask Your Honour to consider referring this matter to the Rules Committee to investigate the leaks, the breach of the Rules and my privilege as a senator.

I make this request because the Special Joint Committee on Medical Assistance in Dying will no longer exist once the report is tabled tomorrow. I believe the Rules Committee would be the only venue to investigate this matter.

Thank you, Your Honour.

The Hon. the Speaker: Are there any other senators who would like to debate or add anything on this issue?

If not, thank you, Senator Wallin, for bringing this up. It is an important issue. I will take this question under advisement.

Thank you.

• (1850)

FINANCIAL ADMINISTRATION ACT

SECOND READING

On the Order:

> Resuming debate on the motion of the Honourable Senator Wells (*Newfoundland and Labrador*), seconded by the Honourable Senator Housakos, for the second reading of Bill C-230, An Act to amend the Financial Administration Act and to make consequential amendments to other Acts (debt forgiveness registry).

Hon. Percy E. Downe: Honourable senators, this is my opportunity to rise as the supportive critic of this bill. It is also my first opportunity to speak for 45 minutes. I may be reading the room wrong, Your Honour, but my sense is that there is tremendous enthusiasm for this speech and this bill, so I'll keep my remarks well short of 45 minutes.

This bill is from our colleague in the House of Commons Member of Parliament Adam Chambers, and it was introduced in this chamber for second reading by Senator David Wells.

MP Chambers has been a long-standing champion of transparency and accountability at the Canada Revenue Agency, and this bill reflects his dedication to this cause.

As Senator David Wells has noted, this bill seeks to establish a publicly available, searchable registry of all debts in excess of $2 million owed by any ". . . corporation, trust company or partnership . . ." to the federal government that the government has — again in the words of the bill — ". . . remitted, forgiven, written off or waived . . . ."

It is worth emphasizing that this does not apply to individuals, just companies. Therefore, the privacy of individual Canadians will be preserved. I'm sure Senator Deacon is thrilled to hear that.

The need for this bill is a state of affairs that resonates with me because it parallels what I've learned from my work on overseas tax evasion. It can seem that the more you owe the government, the easier it is to duck out of that debt. Efforts to get details from the Canada Revenue Agency about whom they go after for money owing and who gets off easy runs into a wall of excuses for why they won't provide details, including the ever-popular, "We don't track the information that way."

As we all know, the first step to solving a problem is understanding it, and this bill is that first step. It isn't going to fix the billions of dollars in debt the Government of Canada writes off every year; it does not claim to. What it is going to do, if passed, will be to show Canadians which companies benefit from those decisions. Knowing that, Canadians will be better placed to ask why those decisions were made.

This curiosity is warranted by the amounts involved. Last year, the federal government wrote off more than $5 billion worth of debt. In the fiscal year 2023-24, over $18 billion in "debt and other obligations" were forgiven. In a time of government deficits and cuts to services, Canadians have a right to expect that governments exhaust all possible options to ensure it is paid what it is owed before giving up and walking away from that much money.

In his speech in the House of Commons, Conservative MP Adam Chambers stated that he would welcome constructive suggestions from all parties, including the government, and to his credit, he was true to his word. In fact, during its journey through the House of Commons, this bill received four amendments, all from the Liberals, which were, in turn, subject to two subamendments: one from the Liberals and one from the Conservatives. Commenting on the give and take, Mr. Chambers wisely remarked that one can hold out for one's version of perfection and get nothing or one can accept the suggestions of others so that all can have a say in the bill and deliver progress for taxpayers.

Bills like Adam Chambers' Bill C-230 seek to provide a level of much-needed transparency and, thus, accountability from the CRA regarding which debt it chooses to collect and which it chooses to abandon.

I fully support this bill, and I can also say without any fear of contradiction that, if our former colleague and friend Senator Marshall were here, she would join me in urging the passage of this bill, given the work she has done on financial matters as well.

Colleagues, I'd like to give you a brief illustration of the problem, and I know the Leader of the Government in the Senate will be particularly interested in this. I filed two questions. One was in November 25, 2021, on this very topic, in which I asked what was written off, including the largest amounts and the smallest amounts together with a long list of other questions. In 2021, I received one of the answers, which was that, in total, 196,268 legal entities had their debts written off in 2018-19. The second part of the answer was that the largest amount written off in 2018-19 was $133 million. The third part of the answer was that the smallest amount written off in 2018-19 was one cent.

I asked the exact same question, Your Honour, in 2025. The answers were — surprise, surprise — a little different. The smallest amount written off was one cent. The largest amount written off — well, they can't answer that any more. Let me read the answer:

> Due to confidentiality provisions in the act administered by the Canada Revenue Agency in cases where an individual corporation could be directly or indirectly identified, data cannot be released. Therefore, the Canada Revenue Agency cannot respond to the question in the manner asked.

Colleagues, that's identical wording, a few years apart, with no changes in the act and no changes in the regulations. The change was that the Canada Revenue Agency refused to answer the question. They are denying Canada the information it requires.

The last part I asked was this: How many waivers were given in 2021? Of course, I received an answer, which was 264,000. The answer in 2025 was similar: "We cannot respond to the question in the manner requested." Again, there were no changes in the act and no changes in the regulations; rather, there was a change in attitude. That's what Adam Chambers' bill will do: It will help disclose information Canadians should have. It will force the CRA to be more transparent and open.

Your Honour, as we get closer to the time for adjournment, I don't want to delay us any longer. However, I will conclude by saying that this bill is a tremendous step forward. MP Chambers deserves full credit for it, and I'm pleased to support it as the supportive critic of the bill in the Senate.

Thank you, colleagues.

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

Hon. Senators: Agreed.

(Motion agreed to and bill read second time.)

REFERRED TO COMMITTEE

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

(On motion of Senator Martin, bill referred to the Standing Senate Committee on Banking, Commerce and the Economy.)

(*At 6:59 p.m., pursuant to the order adopted by the Senate on June 11, 2026, the Senate adjourned until 2 p.m., tomorrow*.)

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