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(HANSARD)

Thursday, December 13, 2012

The Honourable NOËL A. KINSELLA
Speaker

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

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THE SENATE

Thursday, December 13, 2012

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

Prayers.

[Translation]

SENATORS' STATEMENTS

HUMAN RIGHTS

Hon. Roméo Antonius Dallaire: Honourable senators, I have notes of thanks and recognition from the Secretary General of the United Nations, who, yesterday, through his human rights secretary, underscored the presence of Canadians on the international scene and the impact they are having in terms of human rights.

[English]

This is what we were involved with yesterday, at the behest of Senator Day, who is a patron of The Hampton John Peters Humphrey Foundation, in Hampton, New Brunswick.

John Peters Humphrey was the fundamental author of the UN Declaration of Human Rights. Yesterday a book was launched, which is the story of his life, his accomplishments and his background. It is entitled *The Boy Who Was Bullied*, because of his losing an arm when he was young, and also losing his parents at 11. The book outlines how he overcame that and built the concept of human rights; he articulated it and wrote it down.

It is interesting that the primary argument Mr. Humphrey used in preparing that was the fact that he was tired of fighting those who were bullying him. He decided that if he made peace, then maybe he would resolve the problem. In fact, by articulating words of peace and respect, he actually came forward and broke out of that mould of fighting those with aggression and conflict who might create frictions with others. On the contrary, He took the debate to a higher plane, the plane of human rights; the plane not of tolerance but of respect.

We also recognized yesterday that it was the sixty-fourth anniversary of the Convention on the Prevention and Punishment of the Crime of Genocide. We are ending a special year, which the Secretary-General has called the "year of prevention."

This is a new aspect for the UN, to actually create a body to prevent. It has the UNDP and other elements, but this is to create a body to prevent. Having served on the Secretary-General's Advisory Committee on Genocide Prevention, and having worked on the application of responsibility to protect, which is the operationalization of that prevention tool, it was again interesting for me yesterday that this whole realm emanates from the work done by John Peters Humphrey and by that team in 1948.

I would like to bring to the attention of honourable senators the words of the Special Adviser to the Secretary-General on the Prevention of Genocide, Mr. Adama Dieng Francis Deng. I remind honourable senators that for national religious, ethnic and racial groups, their lives are currently under duress in many countries, from Congo to Mali to Sudan to Syria. We are still on the periphery of trying to resolve these conflicts, let alone the ultimate aim of preventing these conflicts and the massive abuses of human rights that they create.

THE SENATE

PARLIAMENTARY REFORM

Hon. Betty Unger: Honourable senators, before we take leave of this place for the Christmas break, I wish to speak briefly on an issue that is of great importance to me, that being the irresistible cause of Senate reform.

A clear majority of Canadians, when asked if they want to elect future senators, has always said "yes." Most also agree that the primary purpose of senators is to effectively represent and defend provincial, regional and minority interests. A well-functioning Senate, whose membership is selected at the provincial level, is essential to bringing balance in a country as large as Canada, and especially one with its population so heavily concentrated in the centre.

Senators also make and review laws that directly affect all Canadians every day. I believe that all lawmakers, including senators, should be selected by Canadians, thereby conferring upon them a democratic mandate from the people. Also, limited terms of office will ensure that Canadians can regularly choose their Senate representatives.

I used the word "irresistible" intentionally, because I am more optimistic for meaningful Senate reform today than I have ever been during the 15 years I have been publicly advocating for the cause. I say this for several reasons.

First, the status quo in the Senate is politically unsustainable. Canadians increasingly oppose the appointment of unelected senators, who can serve for decades without a democratic mandate.

Second, no prime minister since Confederation has been more committed to appointing elected senators than Prime Minister Stephen Harper, and his appointment of Senator Burt Brown and me clearly points to that fact.

Third, reasonable and achievable reform legislation, which does not affect the Constitution, now lies before the House of Commons.

Fourth, fully half of the provinces have either passed legislation enabling the selection of senators, or have introduced such bills, or have spoken in favour of them.

Finally, more than 70 per cent of Canadians surveyed in a recent Angus Reid poll expressed support for an elected Senate, including 72 per cent in Alberta, B.C. and Ontario; 77 per cent in Manitoba and Saskatchewan; 68 per cent in Quebec; and 75 per cent in the Atlantic provinces.

All these factors, in my view, are leading inexorably to the day when seven or more provinces, representing at least 50 per cent of Canadians, will join with Parliament to pass a constitutional amendment, creating a reformed Senate that is truly representative of Canada and Canadians in the 21st century. Therefore, my fellow senators, I —

An Hon. Senator: Time.

HUNGERCOUNT 2012

FOOD BANKS USAGE IN CANADA

Hon. Jim Munson: Honourable senators, if there was an elected Senate, I would run and win.

• (1340)

Did honourable senators know that children and youth represent 21 per cent of our population, but they make up 38 per cent of those Canadians who use food banks? Did honourable senators know that people in Nunavut spend, on average, 25 per cent of their annual expenditures on food, as compared to 11 per cent within Canada overall? With exorbitant food prices like \$17 for milk and \$29 for cheese, it is easy to understand what “food insecurity” means and why it is so acute in communities across this northern territory.

At this time of the year, did honourable senators also know that every month, Canadian food banks provide about five days’ worth of food to a population equal to New Brunswick’s? According to Food Banks Canada’s annual survey report, *HungerCount 2012*, more than 882,000 people in this country received food from a food bank in March of this year, an increase of 2.4 per cent over 2011, 31 per cent higher than 2008.

Meanwhile, food banks are struggling to meet demand for their services. This past year, over half of Canada’s food banks had to cut back the amount of food they usually provide to households. Several food banks actually ran out of food.

While donations will always be necessary, they cannot address the root causes of this troubling and unacceptable problem. Each of us at each level of government has a moral, shared responsibility to cut this problem down to size. Why, more than 30 years since the founding of Canada’s first food bank, do people continue to need their help?

According to *HungerCount 2012*, the need for food banks has expanded and become more complex over the years. There are those who are clearly at higher risk of having to turn to food banks, such as children and youth, as I have mentioned, as well as Aboriginals, for example. However, it might be surprising for many honourable senators to learn that food banks also help out working people, two-parent families, seniors, homeowners and students.

[Senator Unger]

When I was a reporter just a few years ago, I did a story on military personnel in Halifax having to go to food banks to make ends meet. Most people who use them do so only for a short period of time, but then there is always someone behind them who needs food.

Food Banks Canada singles out the basic reason more and more Canadians are turning to food banks. What is it? Simply, low income. There it is. The organization has used hard data to arrive at a series of strong recommendations. The federal government has to spend more on affordable housing, ensure adequate pensions for vulnerable seniors and improve prospects for well-paying jobs. In all, the recommendations involve every level of government and each of us. Here we are at the holiday season; think of this.

Honourable senators, I urge you to look at what Food Banks Canada is advising, and in your personal and official capacities do what you can to contribute to food banks.

FOREIGN INVESTMENT IN NATURAL RESOURCES

Hon. Dennis Glen Patterson: Honourable senators, in light of our government’s recent decisions on foreign investments in the oil and gas sector, today I wish to discuss foreign investment in the natural resource sector from a northern perspective. In my opinion, continued foreign investment is key to the future growth of the North’s mining industry.

Today, junior mining companies consistently report that investment capital is very hard to come by, especially from within Canada. In Nunavut and north of the sixtieth parallel, this challenge is exacerbated by much higher costs of development due to remoteness and the absence of infrastructure. Consequently, many of our major mining developments in all three northern territories are backed by foreign investors as owners or partners.

At a glance, in Nunavut there are multi-billion-dollar iron ore projects, a uranium project, a diamond project, a precious metals and a base metals project, which would not be advancing without foreign capital. The NWT diamond industry has also developed and is further developing largely due to foreign capital. In Yukon, foreign investment to date amounts to \$700 million, most notably in the Selwyn and Wolverine zinc-lead projects. In my experience, these companies have shown high respect for their social, environmental and land claims obligations.

I wish to congratulate our government for its recent balanced decisions on Nexen and Petronas, which I believe signal a continued welcoming climate for foreign investment in Canada and Northern Canada, while ensuring that mechanisms are in place to protect the public interest and safeguard net benefits to Canada on a case-by-case basis.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Secretary General Franco Famularo; Ambassadors for Peace Reverend Stoyan

Tadin, Reverend Mitch Dixon and Chief (Ret.) Armand La Barge from the Universal Peace Federation. They are guests of the Honourable Senator Meredith.

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

Hon. Senators: Hear, hear!

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Reverend Dean Dowle from Edmonton, who has been asked by the Archbishop to come to Ottawa to study the Canon Law. He is the guest of the Honourable Senator Unger.

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

Hon. Senators: Hear, hear!

[Translation]

ROUTINE PROCEEDINGS

NATIONAL DEFENCE

FIGHTER JETS—DOCUMENTS TABLED

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, the following documents: the Seven-Point Plan: Status Report, National Fighter Procurement Secretariat, December 2012; Evaluation of Options to Sustain a Canadian Forces Fighter Capability: Terms of Reference, Government of Canada, December 2012; Next Generation Fighter Capability Annual Update, National Defence, December 2012; Next Generation Fighter Capability: Life Cycle Cost Framework, KPMG, November 2012; Next Generation Fighter Capability: Independent Review of Life Cycle Cost, KPMG, November 2012; and Canadian Industrial Participation in the F-35 Joint Strike Fighter Program, Industry Canada, December 2012.

[English]

MENTAL HEALTH COMMISSION

2011-12 ANNUAL REPORT TABLED

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, the 2011-12 Annual Report of the Mental Health Commission of Canada, entitled: *Together We Speak Change*.

[Translation]

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

LABRADOR INUIT LAND CLAIMS AGREEMENT—COORDINATING COMMITTEE—2010-11 ANNUAL REPORT TABLED

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, the 2010-11 annual report of the Implementation Committee for the Labrador Inuit Land Claims Agreement.

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

BUDGET AND AUTHORIZATION TO ENGAGE SERVICES AND TRAVEL—STUDY ON CURRENT STATE OF THE SAFETY ELEMENTS OF THE BULK TRANSPORT OF HYDROCARBON PRODUCTS—SIXTH REPORT OF COMMITTEE PRESENTED

Hon. Grant Mitchell, Deputy Chair of the Standing Senate Committee on Energy, the Environment and Natural Resources, presented the following report:

Thursday, December 13, 2012

The Standing Senate Committee on Energy, the Environment and Natural Resources has the honour to present its

SIXTH REPORT

Your committee, which was authorized by the Senate on Wednesday, November 28, 2012 to examine and report on the current state of the safety elements of the bulk transport of hydrocarbon products in Canada, respectfully requests funds for the fiscal year ending March 31, 2013, and requests, for the purpose of such study, that it be empowered to engage the services of such counsel, technical, clerical and other personnel as may be necessary and to travel inside Canada.

Pursuant to Chapter 3:06, section 2(1)(c) of the *Senate Administrative Rules*, the budget submitted to the Standing Committee on Internal Economy, Budgets and Administration and the report thereon of that committee are appended to this report.

Respectfully submitted,

GRANT MITCHELL
Deputy Chair

(For text of budget, see today's Journals of the Senate, Appendix A, p. 1844.)

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

(On motion of Senator Mitchell, report placed on the Orders of the Day for consideration later this day.)

[English]

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

BUDGET AND AUTHORIZATION TO ENGAGE
SERVICES AND TRAVEL—STUDY ON ECONOMIC
AND POLITICAL DEVELOPMENTS IN
THE REPUBLIC OF TURKEY—TENTH REPORT
OF COMMITTEE PRESENTED

Hon. A. Raynell Andreychuk, Chair of the Standing Senate Committee on Foreign Affairs and International Trade, presented the following report:

Thursday, December 13, 2012

The Standing Senate Committee on Foreign Affairs and International Trade has the honour to present its

TENTH REPORT

Your committee, which was authorized by the Senate on Wednesday, November 7, 2012, to examine and report on economic and political developments in the Republic of Turkey, their regional and global influences, the implications for Canadian interests and opportunities, and other related matters, respectfully requests funds for the fiscal year ending March 31, 2013, and requests, for the purpose of such study, that it be empowered:

- (a) to engage the services of such counsel, technical, clerical and other personnel as may be necessary; and
- (b) to travel outside Canada.

Pursuant to Chapter 3:06, section 2(1)(c) of the *Senate Administrative Rules*, the budget submitted to the Standing Committee on Internal Economy, Budgets and Administration and the report thereon of that committee are appended to this report.

Respectfully submitted,

A. RAYNELL ANDREYCHUK

Chair

(For text of budget, see today's Journals of the Senate, Appendix B, p. 1854.)

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

(On motion of Senator Andreychuk, report placed on the Orders of the Day for consideration later this day.)

• (1350)

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

SEVENTEENTH REPORT OF COMMITTEE TABLED

Hon. David Tkachuk: Honourable senators, I have the honour to table, in both official languages, the seventeenth report of the Standing Committee on Internal Economy, Budgets and

Administration, which deals with the annual report on internal audits 2011-2012.

CORRECTIONS AND CONDITIONAL RELEASE ACT

BILL TO AMEND—NINETEENTH REPORT
OF LEGAL AND CONSTITUTIONAL AFFAIRS
COMMITTEE PRESENTED

Hon. Bob Runciman, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, December 13, 2012

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

NINETEENTH REPORT

Your committee, to which was referred Bill C-293, An Act to amend the Corrections and Conditional Release Act (vexatious complainants), has, in obedience to the order of reference of Thursday, October 25, 2012, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

ROBERT W. RUNCIMAN
Chair

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

(On motion of Senator Boisvenu, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.)

STUDY ON PROVISIONS AND OPERATION OF THE ACT TO AMEND THE CRIMINAL CODE (PRODUCTION OF RECORDS IN SEXUAL OFFENCE PROCEEDINGS)

TWENTIETH REPORT OF LEGAL AND
CONSTITUTIONAL AFFAIRS COMMITTEE TABLED

Hon. Bob Runciman: Honourable senators, I have the honour to table, in both official languages, the twentieth report of the Standing Senate Committee on Legal and Constitutional Affairs, entitled: *Statutory Review on the Provisions and Operation of the Act to amend the Criminal Code (production of records in sexual offence proceedings)*, S.C. 1997, c. 30.

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

CRIMINAL CODE

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-37, An Act to amend the Criminal Code.

(Bill read first time.)

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

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

INCOME TAX ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-377, An Act to amend the Income Tax Act (requirements for labour organizations).

(Bill read first time.)

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

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

HUMAN RIGHTS

MILLION HEARTS, ONE VOICE—PETITION TABLED

Hon. Thanh Hai Ngo: Honourable senators, I have the honour to table the petition *Million Hearts, One Voice*, launched and headed by Mr. Truc Ho, musician and composer, and from the residents of the Vietnamese Canadian Community in Montreal with the support of the Vietnam Human Rights Network. The petition concerns the need for the government of Canada to remind Vietnam about its obligation to respect the Universal Declaration of Human Rights and to request the immediate release of all the writers, artists and other prisoners of conscience who have been jailed in harsh conditions by the Socialist Republic of Vietnam for advocating for democracy, freedom and human rights. This petition was also deposited yesterday, December 12, 2012, in the other chamber by Members of Parliament Hoang Mai and Anne Minh-Thu Quach.

QUESTION PERIOD

NATIONAL DEFENCE

AIRCRAFT PROCUREMENT

Hon. James S. Cowan (Leader of the Opposition): Honourable senators, my question, not surprisingly, is for the Leader of the Government in the Senate, and, equally not surprisingly, it is about the F-35 fiasco.

The F-35 deal, the single largest defence procurement the Government of Canada has ever made, has become, in the words of Andrew Coyne, writing in the *National Post*:

... culpable incompetence, mixed with deliberate misrepresentation. What started with a catastrophic failure of oversight, progressed through many months of dishonesty, secrecy, and stonewalling, culminating in what can only be called electoral fraud — followed by still more dishonesty about everything that had gone before.

Your government gave Canadians and parliamentarians one set of figures. You were then caught out by the Parliamentary Budget Officer, so you rejected and vilified his report. You were then caught out by the Auditor General, so you appointed your own auditors, KPMG. You have now been caught out by them.

You say you want to move on, to hit the reset button. Every one of us knows that you cannot move on until you admit that you were wrong in the first place. What will it take for your government to admit that you were wrong, that you misled Canadians and that you misled Parliament?

Hon. Marjory LeBreton (Leader of the Government): Needless to say, the ramblings of Andrew Coyne have little influence with me or anyone else. They happen to be false. As a matter of fact, what we have been saying all along has been actually borne out by the —

Some Hon. Senators: Oh, oh!

Senator LeBreton: Did they get to an early Christmas party over there, or something?

An Hon. Senator: It is what it is.

Senator LeBreton: Exactly, senator, it is what it is.

Based on findings of the Auditor General, as I said yesterday, that pointed out that they wanted the full life cycle of the aircraft, DND therefore moved from a long-held practice of costing over 20 years to costing over the aircraft's entire program of 42 years. I used the example a couple of days ago of my little Ford Focus.

Using a new costing framework developed by independent auditor KPMG, what did we find? The cost estimate to purchase 65 F-35 aircraft remains the same. The cost estimate to fly the aircraft over 20 years remains very close to the original estimate.

It goes without saying that the dollar figure for 42 years will be proportionally higher than the previous 20-year figure. As well, the annual average cost of the F-35 program is estimated to be

\$1 billion per year. This includes the cost that will be incurred regardless of what aircraft is ultimately chosen. Therefore, the additional estimate is completely attributable to the increase in the time frame ordered by the Auditor General from 20 years to 42 years.

• (1400)

Senator Cowan: That is so unbelievable that I cannot even imagine the minister just said it. Let us move on.

Yesterday at the press conference, Public Works Minister Rona Ambrose told Canadians that not a single dollar had been spent on these planes. Last year, on February 25, 2011, Minister of National Defence Peter MacKay said, “If this procurement is cancelled . . . so another competition can be held, it will cost taxpayers \$1 billion . . .”

Which is correct? Will Canadians now be liable for the \$1 billion for the leader’s government hitting the reset button, or will they not be on the hook for a single dollar? Which minister was misleading Canadians — was it the Minister of National Defence last year or the Minister of Public Works yesterday?

Senator LeBreton: Neither minister misled Canadians, despite the avid wishes of honourable senators opposite; neither minister misled Canadians. No money has been spent on the acquisition of a new aircraft. The funding for the acquisition of a replacement remains frozen, and the replacement for the CF-18 will not be selected until the seven-point plan is completed.

Senator Cowan: Let me quote again what Minister of National Defence MacKay said: “If this procurement is cancelled . . .” — which it apparently is — “so another competition can be held” — which the government says it will do — “it will cost taxpayers \$1 billion . . .” Is that true?

Senator LeBreton: I just said a moment ago that the Minister of National Defence did not mislead the Canadian public. The Minister of Public Works and the Minister of National Defence yesterday appeared as promised and released these documents before Parliament, which we have done today.

The honourable senator got up commenting about not believing what I just said, but I will state that those were not my words; those were the findings of KPMG.

Senator Cowan: What did the Minister of National Defence mean when he said these words: “If this procurement is cancelled . . . so another competition can be held, it will cost taxpayers \$1 billion . . .”? What did he mean by that?

Senator Tardif: Good question.

Senator LeBreton: As the honourable senator knows, the decision to enter into this program was a decision made by the previous government. As we also know, there are a considerable number of Canadian aerospace companies that have been working on the development of this aircraft.

Senator Cowan: My question had nothing to do with that. My question was this: What did the Minister of National Defence mean when he said, “If this procurement is cancelled . . . so another competition can be held, it will cost taxpayers \$1 billion . . .”? What \$1 billion was he talking about?

Senator Mitchell: Yeah!

Senator LeBreton: The only \$1 billion that I will talk about is that, as KPMG points out and as we know, the program for fighter jets will cost about \$1 billion a year. That is the only \$1 billion I am able to talk about.

Senator Cowan: I did not ask about the \$1 billion the leader was talking about. I was asking about the \$1 billion that the Minister of National Defence spoke of — the leader’s colleague whom she stands here in defence of. The IKEA monkey has more credibility than the Minister of National Defence has.

Some Hon. Senators: Hear, hear.

Senator Cowan: The leader mentioned earlier that her government is now saying that the issue here really is the life cycle of the airplanes and the need to include development costs back to 2010. Let me read another quote, this time from the Prime Minister. This is what he said on April 8, 2011:

A lot of the developmental costs you’re reading in the United States, the contract we’ve signed —

We will leave that aside.

— shelters us from any increase in those kinds of costs. We’re very confident of our cost estimates and we have built in some latitude, some contingency in any case. So we are very confident we are within those measures.

If we were sheltered in 2011, why are we not sheltered today? Why did the Prime Minister say last year that Canadians did not need to worry about paying the development costs but now, suddenly, they are the reason that the price is not \$9 billion but \$45.8 billion?

Senator LeBreton: The government has identified \$9 billion for the purchase of replacement aircraft. That is the amount of money we have set aside for the purchase, and we will not exceed that amount. What the Auditor General released — and what was released yesterday — are the all-in, everything costs for the full lifespan of the aircraft.

Senator Tkachuk: Like when you buy a car.

Senator LeBreton: One can use the funny little phrases about monkeys and whatever. The fact of the matter is —

Senator Cowan: I quoted the Prime Minister, not the monkey.

Senator LeBreton: We have designated \$9 billion to buy these aircraft. That figure has not changed. The only figure that was changed was that the 20-year estimate goes now to 42 years, as ordered by the Auditor General. It is about the same amount, but it is just now extended out to 42 years.

Hon. Pamela Wallin: I have a supplementary question. Madam Leader, please correct me if I am wrong, but I read through these documents in detail. KPMG, the independent auditors who looked at this number, in their report verified the \$9-billion price tag for the purchase of these planes.

Senator Oliver: Hear, hear.

Senator Wallin: They verified that this number has been the case. In describing the request for a 42-year life cycle assessment, they said that it would be, at best, just kind of a wild assessment, because we cannot predict things like the cost of oil, pensions, salaries or shoelaces in the future, and that the industrial benefits at this point, even though —

Senator Munson: Question?

Senator Wallin: I am getting to my question.

An Hon. Senator: We are waiting. We are waiting.

Senator Wallin: The industrial benefits for the aerospace producers in this country do continue at this point while we assess this, and the procurement project is in no way cancelled; it is moving forward. Therefore the leader could just correct me if I am wrong there.

Maybe if she has some documents that are in big print and very simple, she could share those with the members opposite.

Senator LeBreton: I thank Senator Wallin for that question. The honourable senator read the documents and she understood them. Our colleagues across the way have not read the documents or, if they did read them, they did not want to believe them.

In direct answer to her question, Canada will not end industrial access to F-35 contracts before the seven-point plan is complete and a decision on the replacement of Canada's CF-18s has been made. All of the industrial benefits, which Senator Wallin knows are significant — about a half a billion dollars' worth of benefits — continue while this seven-point plan continues.

Hon. Wilfred P. Moore: My question is also for the Leader of the Government in the Senate.

On March 26, 2011, the very first day of the 2011 election campaign, the Prime Minister thanked Canadians for their trust. Four short days later, he said: "All the information suggests we're well within the cost estimates for these jets, which we need. . . [all] these costs are well within our estimates and [are] well on track."

We now know that the information suggested that the costs were actually out of control, that the program was not on track, and that the exact opposite was actually happening.

Could the leader ask the members of the eight-year club to quiet down so I could get my question in? It was irresistible — so easy; it is easy picking.

I would like the leader to explain to Canadians why the Prime Minister of Canada deceived them on the fourth day of the election campaign.

• (1410)

Senator LeBreton: Just to show how Senator Moore's figures are not accurate either, it is the nine-year club, not the eight-year club.

In any event, the Prime Minister did not deceive the Canadian public. All of this has been borne out by the independent report — perhaps Senator Wallin should have a briefing session.

Senator Wallin: I will. I would be happy to.

Senator LeBreton: This was all borne out by the independent audit that was done by KPMG.

Senator Moore: Honourable senators, I will repeat what I asked the leader on Tuesday of this week. On April 8, 2011, Mr. Harper said, and I quote:

You have to understand that in terms of the F-35 costs, we've been very detailed with those to the Canadian public. A lot of the development costs you're reading in the United States, the contract we've signed shelters us from any increase in those kinds of costs. We're very confident of our cost estimates and we have built in some latitude, some contingency in any case. So we are very confident we are within those measures.

We know now that that is patently false. There was no clarity about the cost. The Canadian public was not informed. That is why, embarrassingly, for the first time in a Westminster parliament, the leader's government was found to be in contempt and that has not been removed.

You have not satisfied the public; you have not brought forward the costs in detail; and I do not understand the secrecy. It is the taxpayers' money. The government has no right to withhold the information. There was no contract. There was no shelter from that, so again, I want to know, why does the leader think the Prime Minister deceived the Canadian public? What does she think was on his mind when he did that?

Senator LeBreton: Honourable senators, I will repeat the answer. Obviously, he did not hear the answers I gave to Senator Cowan, and the answer is very clear. The Prime Minister and the government did not deceive the Canadian public. With all these accusations flying around, the honourable senator is reading the accusations instead of the facts, and the facts are as follows.

Based on the findings of the Auditor General, DND moved from the long-held practice of costing over 20 years to costing over the aircraft's entire program life of 42 years. Using a new costing framework developed by the independent auditor KPMG, the cost estimate to purchase 65 F-35 aircraft remains the same. That is KPMG. That is not me, and that is not your friend Andrew Coyne, or Deborah, or anyone else.

The cost estimate to fly the aircraft over 20 years remains very close to what we were informing the Canadian taxpayer. The difference is the Auditor General ordered a new way of approaching these. We agreed with the Auditor General, so it goes without saying that the dollar figure for 42 years will be proportionately higher than the previous figure, which was over 20 years. The annual average cost of the F-35 program is estimated to be about \$1 billion per year.

Senator Munson: What is a billion?

Senator LeBreton: This includes costs that will be incurred regardless of the plane that is chosen to replace the CF-18.

Senator Moore: I have a supplementary question. It is nice that the leader stands there and reads the cards; however, my question is —

Senator Tkachuk: What are you reading?

Senator Day: Not something written by the Prime Minister, I can assure you of that.

Some Hon. Senators: Oh, oh!

Senator Moore: My question is this and it goes to the integrity of our whole system. Is she not embarrassed by the fact that her government was found to be in contempt and that her Prime Minister deceived the Canadian public? She must have a tough time standing there trying to defend those kinds of actions. I want to know personally — never mind the cards — in the leader's heart of hearts, why does she think he did that?

Senator LeBreton: The only reason I was reading is because I wanted to make sure that I was properly reading into the record what KPMG, the independent auditor, said. I stand here very proud of our Prime Minister.

Some Hon. Senators: Hear, hear!

Senator LeBreton: He is a hard-working, decent, honest, ethical prime minister who does not deceive the Canadian public. I want to ask Senator Moore how he can sit there and make any accusation about this government, when he and his colleagues took \$40 million of taxpayers' dollars in the sponsorship scandal, stuffed it in their back pocket, and we still do not know where it is.

[Translation]

Hon. Dennis Dawson: Honourable senators, my question is for the Leader of the Government in the Senate.

What an end to the session, honourable senators. We could say that, in 2012, the Conservative government's last 100 days in Ottawa have been worse than the Marois government's first 100 days in Quebec City. It is a little embarrassing.

[English]

The government's last 100 days are worse than the first 100 days of Pauline Marois and that, honourable senators, is hard to beat.

[Senator LeBreton]

[Translation]

It is hard to say who is the biggest liar: Lisée or MacKay?

Why do you continue to mislead Canadians? When will you launch a competitive bidding process? You say that you are going back to square one, but then you backtrack to protect yourselves. Why not really start all over and have a true competitive, open and transparent bidding process?

[English]

Senator LeBreton: First of all, honourable senators, I would argue that every day that this government has been in office we have never lost our focus on the jobs, economy and long-term prosperity. That is why this government has overseen the creation of nearly 900,000 net new jobs since July 2009. We have the lowest debt burden among major developed countries. We have cut our deficit in half. This is as opposed to the honourable senator's party, which has no economic plan.

Honourable senators, I do not even have to look at the last 100 days. I can look at the whole term of our government, but in the last ten days we have seen the Prime Minister take a very principled stand on Nexen-CNOOC. As we promised to Parliament, and as honourable senators know, as a result of the Auditor General's report, we put forward the seven-point plan that resulted in the announcement yesterday.

The fact of the matter is, as much as some honourable senators would like to believe otherwise, and as much as some people in the media would like to believe otherwise, KPMG basically verified what the government was saying all along.

Senator Dawson: The minister can go back to KPMG. I will go back to what Mr. MacKay said on February 25:

If this procurement is cancelled . . . so another competition can be held, it will cost taxpayers \$1 billion and will create an operational gap for the air force in the future.

The leader cannot change the recent past. It is cancelled. Is there or is there not a billion dollars? Were we misled at that time or are we being misled now?

Senator LeBreton: Honourable senators, the fact of the matter is, as we always said, \$9 billion would be set aside for the purchase of new aircraft. Again, I point out that not a single cent has been spent purchasing a new aircraft, because we are going through this process as we announced last spring. A replacement for the CF-18 will not be selected until all of the seven-point plan is complete.

Having said that, as I just answered in response to a question from Senator Wallin, obviously on the F-35, many of the companies are in Senator Dawson's own city and province, and he should be very concerned about the aerospace industry.

• (1420)

The fact of the matter is that what was tabled today, and the amount of money we are now talking about, is because the Auditor General wanted the government to cost these things out

over the full lifespan of an aircraft. No matter what the aircraft will ultimately be, the cost for the government to maintain a fighter aircraft capability will be about \$1 billion a year, which, by the way, is what Canadian taxpayers pay every year for the CBC.

Hon. Jane Cordy: Honourable senators, it is nice to see the same speaking notes being repeated by Minister MacKay, Minister Ambrose and the minister in the house. I guess it is a case of different Tories, same stories.

The Leader of the Government in the Senate has stated in this chamber that taxpayers are not out any money on this. Minister MacKay has stated, as previous questioners have said, that the cancellation will cost taxpayers \$1 billion. It is left up to us to decide who we believe.

Could the Leader of the Government in the Senate tell us the cost of the photo op with Ministers Ambrose and MacKay that we keep seeing in all the papers where they are sitting proudly in the mock-up of the F-35?

Senator LeBreton: I am beginning to think we are not approaching Christmas but rather Halloween with a ridiculous question like that.

Honourable senators, I know that Senator Cordy is the new spear carrier for the Liberal Party of Canada.

Some Hon. Senators: Hear, hear!

Senator LeBreton: We see her letters to the editor and editorial comment all over the country going after the NDP. She is obviously playing her new role, but the facts are the facts.

What was released yesterday verified that the amount of money the government said they were setting aside for the purchase of the aircraft was \$9 billion; it is the same. The costs worked out over 20 years were virtually the same. The addition, of course, is that the cost of the aircraft now has been expanded for its full life cycle.

Senator Cordy: I am very pleased the leader is reading my editorials about national unity because I believe it is very important, as do all Liberals.

Public servants have spent thousands of hours working on the F-35 procurement in what has been a non-competitive process, and the leader is saying that this has not cost the taxpayers of Canada any money? That is incredible. In fact, one could say it is unbelievable. Is she still saying that there has been no cost for photo ops for Minister MacKay and Minister Ambrose, no cost for photo ops with the Prime Minister sitting proudly with the thumbs-up, and no cost because of the thousands of hours that civil servants have spent working on this file?

Senator LeBreton: Would Senator Cordy say there is no cost for her being a member of the Senate? I was saying that no money has been spent on the acquisition of new aircraft.

With regard to the question on competition, as I keep repeating here, we put in place a seven-point plan that reset the process to replace the fighter aircraft. This plan is being overseen by

non-partisan public servants and includes two outside experts, including a former Auditor General of Canada. On Wednesday, the secretariat demonstrated the government's commitment to look at alternatives to the F-35 by releasing the rules that will guide the review of the alternative fighter aircraft.

I believe that for Senator Cordy to ask me about the costs of public servants will put a new twist on it; we have to cost all of this now? Public servants working on files, whether it is National Defence, HRSDC or here in the Senate of Canada, obviously the office and the staff one hires is all a cost to the taxpayer. Public servants working on this are no different.

[Translation]

ORDERS OF THE DAY

BUSINESS OF THE SENATE

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, pursuant to rule 4-13(3), I would like to inform the Senate that, when we proceed to Government Business, the Senate will address the items in the following order: Bill C-50, Bill C-36, Bill C-27, Motion No. 54, Bill C-45 and finally, committee reports.

[English]

APPROPRIATION BILL NO. 4, 2012-13

THIRD READING

Hon. Larry W. Smith moved third reading of Bill C-50, An Act for granting to Her Majesty certain sums of money for the federal public administration for the financial year ending March 31, 2013.

Hon. Joseph A. Day: Honourable senators, I thank Senator Smith for putting this bill into debate at third reading.

Honourable senators, this is supply bill based on the Supplementary Estimates (B). We have dealt with the Supplementary Estimates (B), and therefore we moved immediately into third reading on this particular matter. The government is asking for an appropriation in the supplementary estimates of \$2.5 billion, but for what purpose, honourable senators? The purposes are outlined in Schedules 1 and 2 attached to Bill C-50. Schedules 1 and 2 are the same schedules that the Standing Senate Committee on National Finance studied and reported on earlier. We have debated that report and therefore it would be appropriate to deal with third reading of Bill C-50 at this time.

Hon. Roméo Antonius Dallaire: Honourable senators, I have a point of debate regarding Bill C-50. The point of debate is within the National Defence envelope where we have moved a significant

amount of money out of the capital program and into the operational program, which was part of this bill and voted on yesterday.

In doing that, there is a change in the fundamental philosophy that has been articulated over the last three years by the government. In the past three years, the government refused to move vote 5 money to vote 1 — that is, move capital money to Vote 1, operations — and essentially cut those monies from National Defence in its operations and its overall budget expenditures of the year.

I gather the government did that in order to save money. In so doing, although articulating a significant budget, it really is spending — at least in those years — anywhere between \$450 million and \$500 million a year.

All of a sudden this year we have action being taken after ministers have come forward and articulated that they will protect the capital program. They said they will not move funds out of the capital program to assist the operations side of the house, the O&M, because the capital program is in dire need of funding as a result of over-programming. On the one hand we are saying that the capital program in National Defence is over-programmed and that the government is moving projects to the right — essentially, the F-35 is doing that, moving to the right. However, as we are doing that on that side, we have reversed the position and have now permitted the use of capital money to go to O&M after saying that we are over-programmed.

• (1430)

In my estimation, honourable senators, there is a fundamental problem in the financial management within National Defence as governed by the chief financial officer, the deputy minister, and ultimately the minister. The funding and the control of funding is their purview. In their purview they have articulated so strongly in past years, when we came to this same point, that there was no way that they could move vote 5 money to vote 1 because the capital program was essential and that if there was money not spent, it would be carried over and adjusted in the following year. Well, we do not see any adjustment here for the following year for the \$370 million that will be spent now in order to ensure that the makeup of funding will actually happen — that is to say, that the \$370 million will be found again.

In committee the major-general from finance said “Oh, no; we can find the money,” meaning that next year he will fiddle again with operations and maintenance money in order to re-establish the capital program level that they need because they have lost that \$370 million this year. It is not as if you just cut one year and then it is ended. The capital program is a 15-year, rolling program. It continues to move down the road and it is funded every year according to a very significant listing of projects. Some take nearly 20 years to see fruition. With the F-35 it might be longer, but it takes that long. Every year you spend so much money and that money must be guaranteed to keep that program on line. First, if you do not spend that money and take it away to move it to O&M, then you are undermining that project, meaning you are reducing the capacity that you are going after; and, second, if you are not just reducing it, you may find that offset moving those projects to the right.

[Senator Dallaire]

This budget is a significant shift in policy by the government, but they have not explained how they are going to recover that capital program money. They are simply saying, “No, we simply are going to spend it and we will find it.” I would argue.

[Translation]

We are currently mortgaging next year's Canadian Armed Forces' operations and maintenance budget, which includes infrastructure, training, munitions, food, spare parts, all fuel, and all benefits paid to military personnel on temporary duty.

The envelope needed to keep our armed forces operational, for them to continue to run smoothly and to maximize their capabilities, will face additional pressure because they will be forced to dip into next year's budget in order to ensure that the money will be available for the capital program that will be spent in the years to come.

This is not merely an exercise to ensure that the Canadian Armed Forces can make ends meet next year. The decisions made this year are going to mortgage future years' budgets, as well as the operational readiness of the units. Honourable senators, this is all after learning that 40 per cent of the cuts to the National Defence budget will be made to maintenance and operations.

[English]

Honourable senators, because of fixed expenditures, because of protecting the capital program, and because of the levels of personnel, the bulk of the cuts that have been imposed in National Defence over the last couple of years have been absorbed by O&M; and that level is not the 10 per cent or 15 per cent we talk about, it is in fact close to 40 per cent. This means that we are affecting the operational effectiveness of the forces' ability to sustain their capacity. It is not because we are no longer fighting that we sit and wait. My brother-in-law asked me, “What do you do day to day in the army? There is no war. What do you do?” I said, “Well, it is simple. We each have a time to call in to headquarters. My time was 7:31 in the morning. I call in and ask, ‘Did they declare war?’ If they said no, then I stayed home.” I also said that we are not paid on days that there is rain or snow because we do not train on those days. It is not like that; it really is not.

We are reducing the operational capability as we are moving down because we took such a massive cut in the O&M and in infrastructure, which means we are also creating an enormous bow wave on trying to sustain the infrastructure there, let alone bring in new infrastructure to meet the requirements of new equipment, and so on. Not only are we doing that through the budget cuts, but this document, this Bill C-50, is exacerbating that scenario as we are saying that we are going to cover a bit of O&M this year because of the superannuation plan, which is the bulk of it, but we will take it out of capital. Next year, we will be able to adjust. If he is going to adjust next year, that means he has to find that \$370 million somewhere because that capital program has fixed amounts. If we know anything about capital programs — just listen to the F-35 exercise — it is that they always need more money. Every project, when it is a D-class or a C-class estimate, which is 25 per cent of margin of error, is always underfunded, and it is always optimistic in its milestones because often industry cannot meet the requirements, or they cannot punch out the

paperwork, or Treasury Board or cabinet simply do not take the decision at the appropriate time. That money is still needed. That means — and this is the fundamental point that is not presented; in the committee meeting it seemed to be very confusing — that you will give them that O&M money this year to meet that and no, the Minister of National Defence is not coming next year to say that he needs new money, meaning an increase of \$370 million. His staff said, “We will absorb it. We will adjust it.” What he means by that, because we know we are not reducing the size of the forces — and that has been the policy that has been held — is that we will cut more into O&M.

The British have gone through massive budget cuts. We even sent Canadians over there to see how they are doing and to help them because they have done such massive cuts and they have had problems. They have actually ordered their troops to stay home for most of the months of December and January because they do not have the fuel to put in their vehicles.

The last time the Canadian Forces actually did not have fuel to put into their vehicles in order to train was during John Diefenbaker’s time. John Diefenbaker had imposed such a restrictive budget that a term came in called “misuse is abuse.” They wrote it on everything: light bulbs, pencils, rulers, paper; they wrote it everywhere. The actual fact was the armed forces absolutely stopped rolling for three months; they stood still. They wore out their boots, but there were no boots to replace them because that was not in the program.

We are now moving toward a scenario in which the forces, all of a sudden, will stand still because we want that capital program to work — we need the equipment, yes — and the only place we will be going to get it is in the O&M. That O&M has already taken 40 per cent budget cuts. In order to absorb that \$370 million, next year and in the couple of years following, it will take just that much more. If you do that, you have created a trend. That trend is attrition.

• (1440)

Troops, particularly veterans, who have been used to a high tempo, are now adjusting to a lower-level tempo of training and maintaining operational skills, when there is no money to train, no money for fuel, no money for ammunition, no money for sea days, and no flying hours left. The aircraft is sitting there, but you cannot use it because you do not have the flying hours, meaning that you do not have the fuel or maintenance capabilities to do those flying hours. When that starts to hit, we will have significant attrition in the forces, we will lose significant operational capability, and we will go into a spiral.

That happened with a previous government in the 1970s. We did not train to any high level because we continuously kept replacing our people. In the 1970s, we were simply replacing people, and people were getting out because they could never get above the basic training. There was never enough money to do it.

One might find the dollars now, but, in doing it this way, they will go back to the capital program and throw that money there. They will hit the O&M. The O&M will slow down the forces significantly. As they slow down the forces, they will trip the

people, and we will go into a massive deficit of personnel who are qualified and needed to do the job. That means that we will have to create a training program at the basic level to bring them up, which then creates the spiral all over again.

This is what happens when one fiddles at the end of the year like this. This, honourable senators, is exactly what happened with these supplementary estimates here to the tune of not peanuts. Ten bucks is not peanuts to me, and \$370 million is certainly not peanuts, even if it is \$20-odd million as a budget.

This will have a significant impact on O&M. If we think that the regular force will be hurting with this, the reserves will be worse. The reserves budget is not only for vehicles, spare parts, fuel, food, training days in the armories, and so on; it is outright salaries. The salaries of the reserves are not protected like the regular force. They are part of the O&M envelope. When it comes to finding money, it is always easy to say, “We promised the reservists 37 and a half days a year, plus a training course and maybe an exercise, so that comes up to around 50 days. They can survive if we cut them down to 45, and, oh, sure, they can handle 40.” We are going back to the old way.

Honourable senators, you were quite vociferous about the decade of darkness. Watch it. You are opening that door.

Senator Mitchell: The sun’s going down.

Senator Dallaire: You are opening that door and fiddling with the future by trying to meet a requirement of today, and I do not really think you understand what you are doing.

Hon. Terry M. Mercer: Would Senator Dallaire take a question?

Senator Dallaire: I cannot say no.

Senator Mercer: It seems to me that you have brought to our attention an extremely serious problem, and I know that, with your extensive military background, you have a knowledge of the subject that not many other Canadians do.

Has our Standing Senate Committee on National Security and Defence taken notice of this and prepared to do a study into this very serious problem?

The Hon. the Speaker *pro tempore*: Senator Dallaire, before you respond, I must advise you that your 15 minutes is up. In order to answer the question, are you prepared to ask the chamber for more time?

Senator Dallaire: I would be privileged to have that.

Senator Comeau: Only five.

Senator Dallaire: Honourable senators, we have been reviewing the different staff’s transformations. If you remember General Leslie’s paper on transformations, in there is how the budget cuts have been applied. We have even had the minister before us giving testimony in regard to, “No, we can handle this one; and we can absorb that five or ten per cent.” However, we have never paraded, as an example, the Chief Financial Officer and asked him to walk through the program with us.

With the current budget cuts as an example, there are over 160 projects out there, minimum, of which about 20-odd are major Crown projects. A major Crown project is anything over \$100 million. These projects are spending money all the time. The F-35 is an example. To say that there is no money being spent on acquisition is not exactly correct.

There is an acquisition process; there is not an acquisition. Part of the process is the development phase and then the acquisition or purchase phase. In the development phase, one has hundreds upon hundreds of military, civilians, contractors and infrastructure — renting offices, spending money and so on — spending millions in trying to put all the paperwork together. These projects are spending money, but we did not get the impact of those budget cuts on the capital program, as an example.

We did not get the detail of the impact on the O&M program. We did not know that the O&M was absorbing so many cuts that it was being cut by 40 per cent. When one goes on the bases and talks to the people, and they say, “No, we do not have the budget to do this or that. Why? Because that is the O&M. That is the operation. We did not get that number there; we got that elsewhere.”

The capital program, in order to try to make it affordable, which it still is not, moved projects to the right. That means that you have a project over 10 years, and it goes through sort of a bell curve, a bit of expenditure. When you do not have the money up front or in whatever phase of it you are, you simply shift it to the right. You move the milestones to the right. You keep people working, but you move the milestones to the right. Many projects got moved to the right.

The other thing that they did is reduce the scale. As an example, we will buy 5,000 one-quarter-tonne trucks, but, because our capital program is unaffordable, they went to the army and said, “We cannot afford 5,000, so we will let you buy 4,000.” What happens with the delta if they needed 5,000, they are only getting 4,000? What will we do with those 1,000 that are missing? When will they appear? That is the sort of detail that I consider to be essential, because it is directly related to the operational effectiveness of our forces.

We just saw the House of Commons Defence Committee produce a report on operational readiness. It is superficial at best. We are not getting that data. They did not get that data; they did not even ask for it. So, no, we have not gone into that level of detail. That needs time. If you are going to play with that data, you have to spend a fair amount of time going into it, and we have not been doing that.

Senator Mitchell: Could I ask a question of Senator Dallaire? I think he has covered this, but I want to have it emphasized or clarified further.

The fact is that the government has been in power for seven years. They have not bought the closed combat vehicle. They have not bought a Cyclone. They are sitting on the tarmac at Shearwater, not being used. They have not cut steel on a ship. I am not certain how many, if any, of their promises to reequip the military have been met.

Is Senator Dallaire saying that they are moving those to the right because they do not have the money and are afraid that they will not balance the budget if they do buy these things? In effect, de facto, these are further catastrophic cuts to the military budget.

Senator Dallaire: The odd one is industry-related. The industry is just not producing what we have requested. They are dragging their feet, and we are not holding their feet to the fire, so they are fiddling. We have to wonder about a company like Irving. When will they start cutting steel instead of punching paper? It is a 40-year plan, but we do not want the ship in year 40; we hope to see it before then.

• (1450)

Yes, these projects have been moved to the right. That means you reduce the scale of work. You do not kill it, you just reduce it, and that is what has been happening.

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

Some Hon. Senators: Question.

The Chair: It was moved by the Honourable Senator Smith (*Saurel*), seconded by the Honourable Senator Meredith, that this bill be read a third time.

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

Hon. Senators: Agreed.

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

CRIMINAL CODE

BILL TO AMEND—THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Dagenais, seconded by the Honourable Senator Frum, for the third reading of Bill C-36, An Act to amend the Criminal Code (elder abuse).

Hon. Mobina S. B. Jaffer: Honourable senators, I rise to speak at third reading of Bill C-36, An Act to amend the Criminal Code (elder abuse). Part of the challenge in speaking to a bill on elder abuse is that there is no clear definition of what constitutes elder abuse. To quote the national strategy of South Africa:

It is difficult in a relatively new and changing field to find agreement on a generic term to describe the phenomenon of Elder Abuse.

Definitions are not only needed for “academic” purposes, definitions are needed in legislation and policy where they can compel certain action and direct resources.

Cultural diversities complicate the debate on defining abuse even further.

During Legal and Constitutional Affairs Committee hearings, Senator McIntyre asked the question many times: Should the term “elder abuse” be defined in the Criminal Code? In one response, Laura Tamblyn Watts, a senior fellow at the Canadian Centre for Elder Law, expressed her hope that the notion of elder abuse would not be lost.

In debating this legislation, honourable senators, it is important that we do not lose the notion of elder abuse, the many different forms it takes and the many different people it affects. Whether or not Bill C-36 passes third reading, elder abuse will remain a complex, undefined issue. The people it affects desperately need a comprehensive policy response to prevent, detect and confront abuse. Protecting Canada’s seniors requires more than a simple amendment to sentencing principles. In this case, I am concerned that the amendment could make the problem worse.

Bill C-36 contains three clauses. Only the second is a substantive clause. The second clause would amend paragraph 718.2(a) of the Criminal Code, which deals with principles of sentencing. As honourable senators know, aggravating circumstances give the sentencing court discretion to impose a more severe punishment.

Bill C-36 would add the following seventh aggravating circumstance to the sentencing principles: evidence that the offence had significant impact on the victim, considering their age and other personal circumstances, including their health and financial situation. This bill is intended to allow courts to impose a more severe punishment for offenders who commit elder abuse, but it fails to send the message that elder abuse is unacceptable. In fact, it fails to adequately address the problem of elder abuse at all.

Honourable senators, I am compelled to report to you three concerns regarding the bill: First, the inclusion of the word “significant” in the bill is ambiguous and presents undue burden on the prosecutor. Second, unlike the other six aggravating circumstances already included in 718.2(a), this aggravating circumstance focuses on the impact of the offence on the victim and the victim’s personal circumstances. This also places undue burden on the prosecutor and on the victim and contradicts the view that elder abuse is unacceptable in any form. Third, this bill fails to create the safety net essential to preventing, detecting and intervening in cases of elder abuse.

Honourable senators, the words “significant impact” currently appear only once in the Criminal Code in the context of sentencing. I am referring to section 380.1 of the Criminal Code. The last Parliament passed Bill C-21, which added an aggravating circumstance to the Criminal Code in relation to fraud. That bill also used the expression “significant impact.” There is no definition in the Criminal Code of the word “significant.” Neither is there any relevant jurisprudence on the expression “significant impact.”

When Bill C-21 was being considered before the Standing Senate Committee on Legal and Constitutional Affairs, my colleague Senator Wallace raised similar concerns. Senator Wallace asked:

At law, what does “significant” mean? Would that be determined subjectively by the judge or is there, in case law or in statute law, some criteria for determining what is significant as opposed to something that is less or insignificant?

Since Bill C-21 passed, *Tremeeear’s Annotations*, to name one legal reference, has observed that “. . . some of the language used . . . for example, significant impact . . . lacks precision.”

Honourable senators, I am deeply concerned that the use of the imprecise term “significant” will, in the context of this legislation, place an undue burden on the ability of the Crown to prosecute and seek proportionate sentences for elder abuse crimes. The term “significant impact” will lead to many different interpretations of this legislation. Defence lawyers are duty bound to act in the best interests of their clients. The public interest, however, is not served by passing legislation that uses ambiguous terminology.

Honourable senators, there is a difference between law that allows for judicial discretion and law that allows for perversion of meaning and intent. Removing the word “significant” from the bill would not impede judicial discretion. The intent of this legislation is to demonstrate that elder abuse is unacceptable in any form. I agree; it is unacceptable.

In his appearance before our committee, Minister Nicholson expressed his hope that Bill C-36 “will strengthen the Criminal Code’s response in order to ensure that elder abuse cases result in appropriate sentences.”

However, a lawyer’s presentation on the significance of the impact of the offence on the victim should not determine the offender’s sentence. If the abuse constitutes a criminal offence where the perpetrator exploited the person because of his age, the sentence should be more severe. The personal circumstances of the victim should be irrelevant. The inclusion of the word “significant” obscures the meaning of the amendment and confuses the bill’s intent.

Honourable senators, this leads me to my second point. The amendment’s focus on the impact of the offence on the victim is inconsistent with other aggravating circumstances already included in the Criminal Code. The amendment will cause further harm to victims and discourage them from reporting and supporting prosecution on elder abuse.

Senator Fraser asked a question on this issue during the committee hearing. She said:

What really struck me about this bill is section 718.2 in the Criminal Code lists six aggravating factors, so this would be adding a seventh. This is the only one that talks about the impact.

All the others simply say it is an aggravating factor if it was motivated by hate or bias or prejudice, if it involved abuse of a spouse or a common law partner, if it involved a victim under the age of 18, if it was a terrorism offence.

There is no mention in there of the nature or degree of the impact.

Why [is the government] tying this [aggravating circumstance] to impact?

The answer that Senator Fraser received largely focused on section 380.1 of the Criminal Code, which deals with fraud and which I discussed earlier. Unfortunately, honourable senators, the answer did not address directly why this seventh aggravating factor should be fundamentally different from the others already included in section 718.2.

• (1500)

The most concerning consequence of the focus on impact is that it will compel victims of elder abuse to participate in a kind of double trial: first, at the trial itself; and second, at the sentencing hearing. After the initial trial, victims will need to participate in sentencing hearings so that the judge can determine and the lawyers can debate the impact of the offence on the victim. I am not convinced that a simple victim impact statement will satisfy the requirements of this aggravating circumstance. Impact is relative and subjective. Interpreting it in a courtroom would be incredibly difficult for victims and their families. This is especially true given that elder abuse often occurs in the family context.

Dr. Naila Butt, Executive Director of the Social Services Network, testified before the committee. About the South Asian community, she said:

... you should not wash your dirty linen in public. That acts as a deterrent for people to communicate. In this community, because of the background they come from, the state is not responsible for the children. It is the parents' responsibility, more so a mother's responsibility, so the success of a child or the failure of a child is directly attributed to the parents.

Ms. Maxine Lithwick, Director of Social Services at the Montreal Jewish General Hospital told the committee when asked how easy it would be for an abused person to relate their personal circumstances in an open court:

Very difficult. That is why I think we have work to do. If we want people to bear witness, we have to change how we do so. They have to be in an environment where they feel comfortable to talk, especially if the abusive person is a member of their family.

Honourable senators, I cannot stress this point enough: Legislation that would compel victims to share the impact of their abuse in open court not once but twice will have a devastating, aggravating impact on victims. It will discourage victims from coming forward. During the committee hearings, Dr. Butt also commented on the cultural and linguistic barriers that many victims of elder abuse face. She stated:

There is a strong fear of bringing shame to the family. It is considered a shame if someone from outside is brought in to help with your elder parents. They do not know where to go for services and what their rights are. The most significant stresses that they experience relate to the migration and settlement processes such as language barriers, cultural conflict, loss of their social support system and their changing role in Canada.

Stress and poverty at home affects their physical and mental health, leaving them isolated, frustrated and depressed. . . . Seniors fear that accessing mainstream service agencies and their intervention may result in family breakup, which is of prime importance.

Honourable senators, here is where the notion of elder abuse, the many different forms it takes and the many different people whom it affects, becomes essential to our consideration for an appropriate policy response.

My third and final point regarding this proposed legislation is that the most effective way to help victims of elder abuse is through support safety networks for elders. The concept of safety networks was brought to my attention in Winnipeg by Ms. Bernice Cyr, Executive Director of the Native Women's Transition Centre. She said:

I think the biggest piece that I have seen in my experience is weighing safety with risk. We deem those who have been victims of economic violence, systemic violence, violence by men at risk; we do not look at safety nets. This is a big philosophical change in attitude in terms of legislation. If we are looking at how to make change, we have to look at building safety networks around our families, our women, our children and our elders. This is a big piece when we look at how we fund, how we decide what sectors we sow, building safety networks and help agencies like the ones sitting in front of us today if we are going to have the change in philosophy.

Honourable senators, I deeply regret that the Standing Senate Committee on Legal and Constitutional Affairs did not hear from Ms. Cyr during the study on Bill C-36. However, it is possible to consider Ms. Cyr's testimony because it was provided before the House of Commons study on the rights of First Nations people who live off-reserve in the context of elder abuse. She said that the policy on elder abuse focuses overwhelmingly on mitigating risk. Ms. Cyr's perspective is extremely valuable. Honourable senators, it prompts us to reconsider our approach.

The best way to address elder abuse, as so many witnesses told us, is to focus on building safety networks that support women, children, elderly people, disabled people, new Canadians, Aboriginal people and other vulnerable members of our society.

In her testimony, Dr. Butt gave us a picture of elder abuse in the South Asian community. She was asked what more can be done, and she said that more support and funding are needed for South Asian senior programs that are delivered by agencies and run by and serving South Asian people. Agencies need to provide education and support to seniors and families before and after the immigration process in their own language and from people who are from their own culture. Mainstream front-line health and social service providers need to receive sensitivity training on identifying the distinct signs and symptoms and appropriate ways to intervene. Communities need more culturally and linguistically sensitive family counselling programs, more support for adult children and caregivers, public awareness campaigns in faith settings, and South-Asian-specific emergency residential centres.

Honourable senators, in any community elder abuse is a complex issue. It must engage professionals from across all sectors. Several witnesses highlighted the need for a multi-sectoral approach, including Ms. Lithwick of the Jewish Montreal Hospital, who said:

... Police officers, social workers, and community organizations need to work closely together. Training for police, prosecutors and judges on elder abuse is essential. In fact, with the growing proportion of elderly, it would make sense that there are specialized and trained multi-sectorial teams that intervene when a crime against the elderly has been committed, and it also has to take into account cross-cultural issues.

Honourable senators, witnesses presented recommendations to the committee that centered on active prevention and sensitive intervention. The recommendations focused not only on mitigating the risk of elder abuse but also on supporting victims' access to services and supports. Ms. Lithwick commented that there are situations where a criminal resolution is not necessarily the best solution. Moreover, as I discussed in detail in my speech at second reading, many forms of elder abuse are not criminal but victims of these forms of abuse still need support or safety networks. Those safety networks need to be accessible, adapted to the victim's language and cultural background and supported by a range of professionals from many different sectors. Ms. Catherine Drillis, Co-chair, Legal Team, National Initiative for the Care of the Elderly, testified before the committee. She said:

... a national strategy on prevention and response to elder abuse should be created and implemented.

Appropriate safety networks should be made available to all elderly people across Canada, including women, Aboriginals and new Canadians. These groups, honourable senators, are disproportionately affected by elder abuse. They desperately need access to safety networks. I commend the government for funding an elder abuse awareness campaign. It has identified the risk, but it has not provided the safety networks. Where and to whom do victims of elder abuse turn?

Honourable senators, throughout my legal career, I have worked with people who have faced challenges in the form of violence and abuse. Sadly, many have been older people. Sadly, and I am not proud to say this, many have been from the South Asian community. I believe that we have to name the kind of violence and identify who it affects before we can work to stop it. You have to name violence to stop violence.

• (1510)

I have encountered many cases of elder abuse. Today I want to share with you the story of a South Asian couple who are in their eighties whose lives changed when they were in their late seventies and became dependent on their children.

They had immigrated to Canada at a very young age, and all four of their children were born in Canada. All their children attended university and were earning very good money. The parents worked outside the home and also cared for their grandchildren. Unfortunately, when the parents started losing

their health, problems began. At first, it was when their son and his wife forgot to buy groceries. Their children were very busy. Then the children left their parents alone for extended periods of time while they went on holidays. The other children were supposed to help out, but somehow they never made the time to help their parents. For days, the parents did not see anyone. Once in a while, their neighbour brought them cooked food. When the children returned and the parents broached the subject of being hungry and alone, their son slapped his mother. That was the first time.

Things worsened for the parents. When the parents met with me, the mother had many marks from the violence. The father had no marks, but he was obviously a broken man. I have known this man for many years. He had been a man in the community who was full of energy and always willing to help someone. He was a changed man. I saw a man who could hardly move. He was devastated. He was trembling, in tears and dejected. All I could hear him say was that he had not been able to protect his wife.

I suggested to them that we go see the police. They told me that they could not speak of their personal circumstances. It would be washing their dirty linen in public. Before they left my office, they kept asking me if there was an option available for them to be safe. I did not have much to suggest, as options for escaping elder abuse are limited. Most programs to support elder abuse have been cancelled. I know that they lived the rest of their lives in misery.

This bill identifies the risk, but our society is not creating a safety net for our elders. This is what is wrong with not having a comprehensive approach. After identifying the risk, we do not build a safety network.

Honourable senators, there is not one person in this chamber who says that elder abuse is acceptable. We all believe that elder abuse is unacceptable, and criminal elder abuse should be met with a more severe sentence that is proportionate to the crime. However, the ambiguity of the word "significant," which features prominently in the bill's only substantive clause, would limit the impact of the legislation. Moreover, the bill's focus on the impact of the offence on the victim rather than on the nature of the offence itself contradicts the bill's intent and places undue burden on the victim.

Finally, federal policy has to this point failed to implement the urgently needed safety networks that would allow nurses, social workers, law enforcement and others to truly prevent, detect and intervene in cases of elder abuse.

Honourable senators, I would like to review the section again. It is very short. Clause 2, which amends paragraph 718.2(a) of the Criminal Code, reads in part, "evidence that the offence had a significant impact."

What does "significant" mean; one slap, two slaps, three slaps? When I was a naive young lawyer, one slap was significant. Now, as a jaded old lawyer, I see that one slap would not be significant. What does "significant" mean? This is what bothers me about this legislation. Why do we need to include the word "significant"?

Honourable senators, I am quite affected by this bill because I meet daily with people who face elder abuse. I find it very offensive that elderly persons have to tell what their personal circumstances are while we do not require that of anyone else. We are all nearing the age referred to as “elderly.” Will we want to share with the public what our children do to us? Will we want to share in an open court the personal circumstances that our children do not feed us, do not bathe us, but slap us? Is this what we want?

Honourable senators, I am not against this bill. I only ask that the bill read “evidence that an offence had occurred on the victim considering their age, health and financial situation.” Why do we have to include “significant”? Why do we have to include “personal circumstances”? That only puts an added burden on elderly persons.

I do not know of one elderly person suffering from elder abuse who will ever go to court and set out their personal circumstances. Even if they were brave enough to do so, what would happen to them after that? They would not be able to go back to their home. They would not be able to stay with their child. After that, what? We have no programs or transition homes for elderly people. After that will they become homeless? Is this our solution for elder abuse?

My friend Senator Dagenais, with whom I work very closely, spoke about this. He told us about an incident that we all find very offensive. He spoke about an 80-year-old woman with Alzheimer's who was sexually assaulted in a home, and the managers did not report it to the police. This bill does not change that. My friend and colleague Senator Dagenais was upset. I am upset too, and this bill will do nothing to change that. Who will report these incidents to the police? Where are the safety nets for the elderly? I agree with my friend; this is terrible, and nothing will change for that 80-year-old woman.

Honourable senators, our government has done a good job with the Horizons program. They have raised awareness of the risk, but this bill is like saying that they can report the crime, but then they will have no home. That is what we are doing with this bill.

When it comes to addressing elder abuse, honourable senators, we should not mitigate risk or roll the dice. Rather, we have a responsibility to weave a national strategy, a series of safety networks that will ensure that no elder is left behind, ignored or forgotten. We need an elder abuse bill, but one that will truly address the problem. I want an elder abuse bill, but one that will truly protect the people who have cherished us.

Some Hon. Senators: Hear, hear!

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

Hon. Senators: Question.

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

Some Hon. Senators: Agreed.

An Hon. Senator: No.

Some Hon. Senators: On division.

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

• (1520)

FIRST NATIONS FINANCIAL TRANSPARENCY BILL

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Patterson, seconded by the Honourable Senator Ogilvie, for the second reading of Bill C-27, An Act to enhance the financial accountability and transparency of First Nations.

Hon. Lillian Eva Dyck: Honourable senators, I rise today to speak to Bill C-27, the First Nations Financial Transparency Act. This bill expands upon and goes beyond the private member's bill of Kelly Block, Member of Parliament for Saskatoon-Rosetown-Biggar, Bill C-575 in the last parliament.

The goal of this bill is to require First Nation governments to publish their audited, consolidated financial statements annually and to require that a schedule of chief and council salaries and expenses also be made public. The method to make these statements public is twofold. First, First Nations must publish audited financial statements and chief and council salaries and expenses on their own website or other website operated by the First Nation. Second, the minister will publish the same information on the website of Aboriginal Affairs and Northern Development Canada.

Honourable senators, transparency and proactive disclosure are important goals for all governments, including First Nation governments, and these are goals that everyone supports, including me. While on the surface this bill looks positive, the government has once again failed to treat First Nations as equal partners in developing this legislation.

Bill C-27 is yet another piece of legislation that this government is pushing through the legislative process without any prior consultation and accommodation with First Nations. As such, it has only proven to add to the deteriorating relationship between the federal government and First Nations across Canada. This deteriorating relationship has been exemplified everywhere lately — from the frustrated chiefs who tried to gain entry into the other place last week, to the thousands of First Nations youth who have gathered in protest and rallies under the “Idle No More” banner, including 500 who rallied outside of Kelly Block's constituency office in Saskatoon this past Monday.

However, honourable senators, the truly disheartening thing is that First Nations across this country are willing to be partners in reforms on governance, especially on issues of transparency and accountability. As Senator Patterson mentioned in his remarks, the Assembly of First Nations has already passed a resolution

that requires First Nations to make public financial information to their membership. Instead of approaching First Nations as equal partners in Bill C-27, this government continues to treat them as dependent adult children.

As this bill moves to committee, I would like to point out three problematic issues I see with this bill: one, the duty to consult and accommodate First Nations; two, the scope of financial reporting; and, three, the mechanism for enforcement.

Like previous bills affecting First Nations that this government has introduced in this Parliament, the Conservative government has once again failed to carry out its duty to consult and accommodate First Nations on the drafting of the legislation. Instead of sitting down with First Nations and consulting with them on the provisions of this bill, the government introduced this bill with much fanfare at the Whitecap Dakota First Nation, just outside of Saskatoon.

According to the testimony of Chief Darcy Bear, the government did not even allow Chief Bear and/or his councillors to actually read the bill before the minister announced it on their reserve. Chief Bear wrote to his Conservative MP on December 11, 2011, and stated:

I do wish to point out that when we were asked to endorse the new Bill we were only provided with a backgrounder on November 22, 2011. We did not receive a copy of the actual draft Bill until it was introduced in Parliament on November 23rd, 2011, which was after our press conference of that same day. We did not have the opportunity to review and analyze Bill C-27. . . . I do wish to emphasize that we provided our endorsement of the new Bill C-27 based on our support for the former Bill C-575.

At the committee hearings in the other place on the bill, Whitecap Dakota First Nation Chief Darcy Bear brought up several issues with the bill, issues that could have easily been addressed had the government lived up to their constitutional obligation to sit down and consult with First Nations across the country. In addition, the government amendments at the committee stage of this bill in the other place only represented the concerns of one First Nation, the Whitecap Dakota First Nation.

Again, I repeat, if only the government had lived up to their constitutional obligation to sit down and consult and accommodate the concerns of more than one First Nation at committee amendment stage in the other place, then the bill before us would be better suited to address the transparency concerns of First Nations and would have their support rather than their opposition.

Honourable senators, I will now turn to the issue of the scope of reporting in this bill. As I have noted earlier, transparency and financial accountability are a necessity for the health of First Nation governments. It is what allows a government's citizens to hold them to account. I have heard from First Nation members who have been denied such information from their band offices. These cases, where First Nation members are denied this critical information, are unacceptable, but what this government has failed to recognize is the appropriate accountability relationship

for the disclosure of this information. First Nation governments must be accountable, first and foremost, to the members of the First Nations that they represent. This is the correct accountability relationship.

Reporting requirements should be focused on making sure that members of a First Nation have access to the appropriate information to hold their leaders accountable. The proactive public disclosure provisions in this bill should, therefore, be directed to First Nation citizens, rather than to the public at large. As AFN Regional Chief Jody Wilson-Raybould stated:

First Nations should be responsible for determining the rules that apply to our governments and governing bodies.

However, as I stated earlier, this bill goes far beyond that scope. It requires the Minister of Aboriginal Affairs and Northern Development Canada to publish this information on the federal government website for Canadian citizens at large. This has the unfortunate potential to create an environment of sensationalism and misunderstanding of the numbers reported. This has already happened in the recent past. Simply posting salary figures and financial reports without any context or background has already led to great misunderstanding and takes away from the real issues that are critical in First Nation communities, such as the underfunding of education and health.

The Canadian Bar Association has noted in their letter to the minister on Bill C-27:

By focusing only on the expenditures of First Nations, the proposed legislation fails to address larger systemic issues of funding and responsibility for those issues.

Additionally, under the current reporting requirements, the reporting of salaries and expenses may still lead to confusion and misrepresentation of the facts. The reporting of chief and council salaries still requires First Nation leaders to include compensation in their personal capacity. This not only creates serious privacy concerns, but also the possibility of misleading information being disclosed regarding First Nation leaders' compensation.

This bill goes well beyond the intention of its predecessor, the private members' bill, which dealt only with posting information regarding the salaries of First Nation chiefs and councillors in their capacity as First Nation government officials. What we have now in Bill C-27 is a further requirement for chief and council also to post information about personal income from sources other than Aboriginal Affairs and Northern Development Canada.

Finally, the power vested in clause 13 allows the minister to withhold funding to First Nations that are not compliant with the reporting requirements of Bill C-27.

• (1530)

As the clause currently reads:

13(1) If a First Nation is in breach of any duty imposed on it under sections 5 to 8, the Minister may take one or more of the following measures:

(a) require the council to develop an appropriate action plan to remedy the breach;

(b) withhold moneys payable as a grant or contribution to the First Nation under an agreement that is in force on the day on which the breach occurs and that is entered into by the First Nation and Her Majesty in right of Canada as represented by the Minister, solely or in combination with other ministers of the Crown, until the First Nation has complied with its duty; or.

(c) terminate any agreement referred to in paragraph (b).

Honourable senators, clauses 13(1)(b) and 13(1)(c) are simply wrong. Withholding or terminating funds for non-compliance could result in the federal government failing to meet its constitutional obligation to provide essential services to First Nation Canadians. If an issue exists with a First Nation's chief and council not being compliant with Bill C-27's reporting requirements, it is outrageous that the mechanism of enforcement would be to cut off funding to the entire First Nation, which would hurt the entire First Nation community. The clause as currently written makes all grants and contribution agreements vulnerable to the funding being withheld or terminated, including funding for education, health, water infrastructure and housing.

A better solution, so that the minister does not punish the most vulnerable First Nation citizens, would be to simply withhold the salaries of non-compliant chiefs and councillors. It is better to give band members, and not the minister, the authority to direct the band office manager and/or other officials responsible for issuing payment to chief and council to stop paying their salaries and expenses until they have disclosed the necessary information about their salaries and expenses to their membership.

It is unconscionable and outrageous that in the 21st century, the Conservative government is giving the Minister of AANDC the draconian power to terminate or withhold funding to First Nation bands who do not post on the web their audited, consolidated financial statements.

In the other place, at third reading of the bill, the government put time limits on debate; in other words, it did not allow a fulsome, open and transparent accounting of why the Conservatives refused to incorporate numerous opposition amendments that would have improved the bill from a First Nation perspective. Why did the Conservatives vote against amendments that would have disallowed the minister to cut off funding to non-compliant First Nation bands?

First Nation leaders and chiefs are already upset with the lack of consultation and accommodation regarding the latest omnibus budget bill, Bill C-45, in which there are numerous provisions that significantly affect them. Introducing Bill C-27, the First Nations financial transparency bill, only adds fuel to the fire of frustration over a discernible pattern of continued erosion of the rights of First Nations to govern themselves.

Over the last year, the government introduced in the Senate, rather than in the other place, three bills that affect First Nations. We tried valiantly to introduce amendments, but the Conservatives voted them down.

We had Bill S-2, the matrimonial real property on reserves bill, which gives matrimonial property rights to non-First Nations living on reserve. This clearly is not right.

We had Bill S-8, the safe drinking water for First Nations bill, which actually deliberately derogated or took away from the inherent constitutional rights of First Nations.

We had Bill S-6, the First Nations elections bill, which allows the minister to force First Nations to come under its provisions rather than allow them the option of entering into it.

We now have before us in the Senate yet another bill that follows the same pattern — an erosion of First Nation rights to govern their own affairs, combined with granting more power to the minister. Yes, granting more power to the minister. In the 21st century, the Conservative government is practising a 19th century style of colonial paternalism towards this land's original, indigenous peoples — the First Nations.

While there are a small number of chiefs or councillors who may refuse to post information regarding their salaries or expenses, the consequences for non-compliance should be directed specifically to them and not to the First Nation community as a whole. Withholding funds or terminating funding agreements punishes the other people who have not done anything wrong. Women and children will be punished. Surely the government could have taken a much simpler and more direct measure to ensure compliance — and that would be to ensure that the salaries of the chiefs or councillors are withheld and not the overall funding to the First Nation community.

Every day there is an escalation of frustration by First Nations because the governing party is not listening and responding to legitimate concerns. The chiefs and the youth in the Idle No More movement have risen up. Today, at noon, First Nation people from Attawapiskat were on the steps of the Parliament Buildings, asking the government to hear Chief Spence's concerns and to visit her while she is on a hunger strike on Victoria Island, not far from Parliament Hill.

They government can help end the tide of First Nation protests sweeping across our country. They can help end the hunger strike by Chief Spence. They can help end the roadblock in Alberta. All they have to do is admit that this bill has serious flaws that should be fixed before it is passed.

Here in the chamber of sober second thought, where we are supposed to demonstrate wisdom, do honourable senators on the opposite side have the wisdom and courage to do the right thing for First Nation people? Do they have the wisdom and courage to propose amendments to improve this bill? Will they have the wisdom to support amendments that First Nations request of us? I sincerely hope they do.

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

Some Hon. Senators: Agreed.

Some Hon. Senators: On division.

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

REFERRED TO COMMITTEE

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

(On motion of Senator Patterson, bill referred to Standing Senate Committee on Aboriginal Peoples).

[Translation]

JOBS AND GROWTH BILL, 2012

ALLOTMENT OF TIME—MOTION ADOPTED

Hon. Claude Carignan (Deputy Leader of the Government) pursuant to notice of December 12, 2012, moved:

That, pursuant to rule 7-2, not more than a further six hours of debate be allocated for consideration at third reading stage of Bill C-45, A second Act to implement certain provisions of the budget tabled in Parliament on March 29, 2012 and other measures.

He said: Honourable senators, the purpose of this proposal is to manage the time allocated for debate on Bill C-45. Debate at third reading of this bill has already begun, and the opposition critic had time to share his opinion. He delivered a speech that was over 45 minutes long and reflected an in-depth analysis. His eloquent speech indicated to us that he had enough time to conduct a rather comprehensive review of the bill.

The bill was studied by six committees that met for over 62 hours during 30 meetings; 135 witnesses were heard by the various committee members, who asked questions and studied the bill thoroughly.

• (1540)

That is why we think an additional six hours will be more than enough time to proceed with passing this bill.

I urge honourable senators to support this motion.

[English]

Hon. James S. Cowan (Leader of the Opposition): Honourable senators, I have a slightly different view of the situation, as one might imagine.

Here we go again. This is another omnibus bill, another motion by the Harper government to cut off debate, to silence our voices on the most critical issues facing Canadians: jobs and economic growth.

Some honourable senators oppose, and certainly the Harper government, try to say that this is a process issue, not important to Canadians, and of course the motion before us sounds dry and

technical — time allocation. Who could be interested in that? Each of us knows what is behind those words. Our Speaker, when he was on this side of the aisle, called them a “guillotine.” That is very apt. They are words used to stop debate, to kill it outright, to prevent each one of us from asking questions about the very important and complicated bill before us, to stop us from looking too closely at this government’s plans for our country.

To look closely is, of course, our job. It is what Canadians expect us to do, what we are paid to do, what we were summoned here to do. Senator Lowell Murray, our former colleague, who served for years as the government leader here representing a very different Conservative government, was always very clear about our role as parliamentarians. We are not here to govern; we are here to hold to account those who do. That was not a new idea. Senator Murray was quoting William Gladstone, a great four-time British Prime Minister.

Parliament holding the government to account for their actions in governing is the very essence, the crux, of parliamentary democracy. We, and especially this government, use the word “accountability” frequently, so often in fact that one can forget its meaning. It is not something we can hive off or delegate to an official, even to an officer of Parliament. Our officers of Parliament are very important to the process, but in a parliamentary democracy, the accountability buck, so to speak, stops here, in the two chambers of Parliament. It is a tradition as old as the institution of Parliament itself. It is truly the critical essence of our job. Parliament holds the executive, the government, to account.

Unfortunately, the Harper government does not want to be accountable. It is, without question, the most secretive, most closed, most unaccountable government in Canadian history. There are many examples of the government silencing criticism or clamping down on information that could lead to criticism. Watchdogs are silenced or fired; whistle-blowers are publicly maligned; organizations have their funding cut off or find themselves the subject of CRA audits.

By way of example, let me describe just two of the most recent incidents.

Just the other day, we learned that yet another scientist at Environment Canada was muzzled by the Minister of the Environment’s office and the PCO. David Tarasick is a senior research scientist with Environment Canada’s atmospheric research centre in Toronto. He spent his career tracking ozone and wrote a report about the startling giant hole in the ozone that formed over the Arctic last year. The hole was widely reported. Not surprisingly, journalists wanted to discuss the issue with this knowledgeable Canadian scientist, a specialist in the field. According to documents obtained by Postmedia News, Dr. Tarasick was keen and available, but the minister’s office refused to allow it. According to the documents:

The department recommended to the Minister’s office that this interview take place. The interview was denied.

To add insult to injury, after denying Dr. Tarasick the opportunity to speak to journalists as he wanted and was prepared to do, the government proceeded to tell reporters to

attribute a written response to him. As the *Ottawa Citizen* article described, it was clear from the documents obtained under the Access to Information Act that in fact the scientist's statement had been written by officials in Ottawa. All the while, Environment Minister Peter Kent intoned the mantra, "We are not muzzling scientists."

Honourable senators, if that is not muzzling, what is? Scientists paid by taxpayers are not being permitted to tell those taxpayers about their work, work that directly impacts our climate and our future.

My second example shows that the muzzling of our scientists by the Harper government is having international ramifications. Earlier this year, the prestigious American Association for the Advancement of Science held its one hundred and seventy-eighth annual meeting in our country, in Vancouver. The theme of the conference was "Building a Global Knowledge Society." Thousands of scientists, policy-makers and educators from some 50 countries attended the six-day conference, and our colleague Senator Dyck spoke to the distinguished audience on the topic of "The Medicine Wheel and Western Science."

Honourable senators, one of the sessions at the conference was entitled "Unmuzzling Government Scientists: How to Re-Open the Discourse." The description of this session began:

Across Canada, journalists are being denied access to publicly funded scientists and the research community is frustrated with the way government scientists are being muzzled. Some observe that it is part of a trend that has seen the Canadian government tighten control over how and when federal scientists interact with the media.

The purpose of the session, as described in the program, was to better understand what is going on. One of the questions was, "How [does] obstruction in communications with scientists compromise science research progression and undermine democracy? And in the end, what can be done to improve the situation?"

An assistant deputy minister at Environment Canada was invited to participate. At first she accepted, saying, "I would be very interested in participating." Then the heavy hand of the Harper machine descended and proceeded to muzzle her. An *Ottawa Citizen* article last week, which by the way was written by Margaret Munro, a journalist who was at that conference and participated in the panel, in referring to the assistant deputy minister:

Instead, she sat in the audience as a spectator during the session at the Vancouver conference, and was informed she should refer questions about the government's strict communication policy to Ottawa, where a government "tactics" committee was working on a response . . .

The article continued:

The response — that Environment Canada is "exemplary" at responding to media inquiries — was eventually released as a letter to the editor signed by Paul

Boothe, then the deputy minister of environment, after it was edited and pre-approved by Environment Minister Peter Kent's office and the Privy Council Office . . . [which] reports to the prime minister.

The Harper government, as it styles itself, does not want to answer to Canadians about what it is doing, except on terms and circumstances that it has carefully chosen and controls. It is a news story when the Prime Minister allows the media more than two questions at a so-called "press conference."

We have seen Canadians physically ejected from events attended by the Prime Minister because Conservative organizers had found photos of them on Facebook with the then leader of the Liberal Party. We have even seen the government stage fake citizenship ceremonies, with public servants carefully chosen for their appearance, pretending to be new citizens. This is all paid for by taxpayer dollars, thousands and thousands of taxpayer dollars.

Fake lakes, fake ceremonies and staged photos: Canadians can be forgiven for suspecting that this pattern has extended into their Parliament, concerned that they are witnessing fake parliamentary scrutiny and staged committee hearings. That troubles me because Canadian citizens should have confidence in their Parliament. The news media has an important role to play in holding the government to account, but in a parliamentary democracy, it is the responsibility and the duty of parliamentarians to hold the government to account. We are abdicating that role.

• (1550)

All of us know that it is simply impossible to properly study a bill when it is over 400 pages long and amends some 60 statutes. Certainly, it is impossible to do that in a matter of a few weeks. Studying proposed legislation, listening to concerned Canadians, proposing and passing amendments as needed to improve bills — that is why we are here.

The Harper government's arrogance, its determination to undermine, sideline or simply ignore any check or balance on its assertion of power, evidently knows no bounds. On the very bill before us now they tried to argue in the other place that since they had a majority, the outcome of the votes was pre-ordained — so why not speed things up, bundle all those pesky opposition amendments into an easy-to-vote-down package and get on with the vote? Happily the Speaker, a Conservative, recognized that that would be a bridge too far. Speaker Scheer ruled as follows:

This line of reasoning, taken to its logical end, might lead to conclusions that trespass on important foundational principles of our institutions, regardless of its composition.

He reminded the Leader of the Government in the other place that Canada is:

. . . a parliamentary democracy, not a so-called executive democracy, nor a so-called administrative democracy.

Some Hon. Senators: Hear, hear.

Senator Cowan: Honourable senators, this government may want to ignore Parliament. It may regard us as a “process impediment,” as some have referred to Parliament over the years, but it is we who allow that to happen when we accept omnibus bills and we compound the problem when we censor ourselves with motions such as the one before us.

Back in May, Andrew Coyne wrote an article entitled, “The degradation of Parliament is complete — l’état, c’est le PMO.” Honourable senators, this cannot happen unless we allow it to.

We are here to hold to account those who govern. One of the offices that was created to help us do that is the Office of the Parliamentary Budget Officer, created, ironically, by the Harper government when it was first elected as a minority government in 2006.

What has happened since then? Unfortunately, we keep hearing that the PBO cannot get the information it needs from the government. A few weeks ago, on November 21, Kevin Page, the Parliamentary Budget Officer, had to go to Federal Court in his attempt to get information from the Harper government.

In 2006, then Treasury Board President John Baird, told our own Standing Senate Committee on Legal and Constitutional Affairs —

The Hon. the Speaker: I regret to interrupt the honourable senator, but our debates are very important, and rule 2-8 is very explicit. I will read it. It provides that when the Senate is sitting, it is not permitted “for Senators to engage in private conversations inside the bar, and if they do, the Speaker shall order them to go outside the bar.”

I will not repeat that rule again, but there is very important work going on in the chamber and we must all respect this rule.

Some Hon. Senators: Hear, hear!

Senator Cowan: Thank you, Your Honour.

In 2006, then Treasury Board President John Baird told our own Standing Senate Committee on Legal and Constitutional Affairs that the PBO was to provide us, as parliamentarians, with “a clear picture of the estimates of government” and the “financial context in which our country evolves.” We now learn the government actually meant only a murky and cropped picture and only the government’s chosen financial context, not the real one.

Of course, the PBO is not alone. The Truth and Reconciliation Commission of Canada — also set up with great fanfare by the Harper government — has also had to take the Harper government to court. Several years ago, it was promised documents telling the truth about residential schools. That is another promise broken because now the government is dragging its feet and making excuse after excuse. The Truth and Reconciliation Commission has had to go to court to get documents exposing the truth, honourable senators. There is no end to irony in Harperland.

Fighting lawsuits is expensive. The Harper government spent a record \$500 million last year on legal services — half a billion dollars. That is 38 per cent more than it spent in 2008-09. The Harper government professes openness and accountability, but spends millions of dollars fighting disclosure, even the disclosure of information to offices it itself established.

Honourable senators, without information, there can be no accountability.

Senator Mitchell: And no democracy.

Senator Cowan: We all remember how two years ago the Harper government was found in contempt of Parliament for refusing to provide parliamentarians with the information needed to assess the real cost to Canadians of the Harper government’s crime agenda and plans to buy the F-35 fighter jets.

Two years later, we have still not been told the true cost to Canadians of its many crime bills. The government stonewalled on the true costs of the F-35s until the mountain of evidence became so huge it could not be denied any longer. After years of giving Canadians and their parliamentary representatives what we now know were wildly inaccurate numbers, Prime Minister Harper says “Oops! The figures were wrong.”

Andrew Coyne wrote a column about this for the *National Post*. It was headed, “F-35 debacle reveals broad failure of democratic accountability.” These are his words:

In sum, virtually every safeguard that was supposed to protect the public purse and the public interest was subverted, evaded, or rolled over. Ministers failed to exercise oversight over their departments; Parliament was prevented from exercising oversight over ministers; the public was kept in the dark throughout. You could have backed a truck up to the Defence Department and loaded it up with \$40 billion, for all our traditional checks and balances were concerned.

I will continue with Mr. Coyne:

... this is about much more than the F-35 ... Rather, this is about democracy.

If ever proof were needed of the weakness of our democratic institutions — and of the urgent necessity of reform — this is it. Democratic accountability, we should now be able to see, isn’t some abstract, academic issue, divorced from the bread-and-butter concerns of the public. It’s about as bread-and-butter as it gets. It’s about their money.

By the way, Mr. Coyne refers to the fact that the F-35 purchase was “not merely a central issue in the last election, but the proximate cause” of that election.

Then he notes that it was an election “fought and won on the basis of the government’s own, fraudulent numbers.”

Honourable senators, Mr. Coyne is right. Democratic accountability is about as bread-and-butter as you can get. We are facing a situation, again, in Mr. Coyne's words, of a "broad failure of democratic accountability."

Honourable senators, we can change this. We can say enough is enough — we expect better of our government, and we expect better of ourselves in holding them to account.

It starts by asserting that shutting down debate in Parliament is wrong, and it continues by then saying that legislating by omnibus bills is wrong. Both deny Parliament its right — our duty — to seriously examine what is proposed to be the law of the land. Both deny Parliament the ability to hold the government to account. None of us should be a willing party to any more such failures of democratic accountability as we are seeing today. Surely, it is important to stand up against omnibus bills.

• (1600)

I and others have quoted the following before, but perhaps, like water on a stone, this needs to be repeated to have any impact. In 1994, as a Reform MP, Mr. Harper rose in the other place to object to a much more modest omnibus budget bill. He said, "I put it to you, Mr. Speaker, that you should rule it out of order. . . ." He argued that "the subject matter of the bill is so diverse that a single vote on the content would put members in conflict with their own principles."

That bill was 21 pages long. The Prime Minister now tells Canadians that a 440-page bill is okay. It is not okay. It totally distorts the normal procedures of Parliament. Parliaments were not designed to gorge thoughtlessly on giant omnibus bills.

Honourable senators, we take great pride in our history and our heritage. The War of 1812 was a pivotal point in our national history and we are right to commemorate it. However, our national history is more than our conflicts; it is equally about how we cooperate and work with one another.

I want to read into the record a letter that appeared in *The Globe & Mail* on Saturday, October 20, written by Hamar Foster, a professor of law at the University of Victoria. He wrote:

Unlike some, I have no problem with the idea that Canadians should be more familiar with our history, including our British heritage. Suppressing this heritage makes no more sense in 2012 than uncritically glorifying it did 50 years ago.

That heritage, however, includes much more than battles and wars. As one example, and one that our federal government might do well to reflect upon, I suggest the following clause in the instructions that the British government provided in 1858 to James Douglas upon appointing him governor of British Columbia:

You are, as much as possible, to observe, in the passing of all laws, that each different matter be provided for by a different law, without intermixing in one and the same law such things as have no proper relation to each other; and you are more especially to

take care that no clause or clauses be inserted in or annexed to any law which shall be foreign to what the title of such law imports. . . .

In other words, honourable senators, omnibus legislation is a bad idea. This clause, or a version of it, was standard in all instructions to colonial governors.

Honourable senators, for more than 150 years, this approach was followed to help create a remarkable nation. There were exceptions, such as the 21-page omnibus bill that Mr. Harper spoke about so eloquently in 1994, but these were rare exceptions to the rule. Unfortunately, these exceptions have now become the rule under Prime Minister Stephen Harper. The parliamentary framework that helped build a country that is the envy of the world is being abandoned and we are all asked to be complicit.

Professor Louis Massicotte of Laval University researched omnibus bills in the United States. He found that 42 of the 50 states have provisions in their constitutions banning omnibus bills. He quoted from a 1901 decision of the Commonwealth Court of Pennsylvania where the court commented on the situation before the state constitution was amended in 1864 to prohibit omnibus bills. This is a quote from that decision:

Bills, popularly called *omnibus bills*, became a crying evil, not only from the confusion and distraction of the legislative mind by the jumbling together of incongruous subjects, but still more by the facility they afforded to corrupt combinations of minorities with different interests to force the passage of bills with provisions which could never succeed if they stood on their separate merits.

It is absolutely clear that omnibus bills were not acceptable in the 1800s, either in Canada — as it then was — or in the United States of America. Governments in the 19th century understood that this was a bad way to govern — "a crying evil" in the words of the Pennsylvania court. The passage of time has not made them any more acceptable.

Honourable senators, the Oxford University Press recently chose as its word of the year the word "omnishambles." Omnishambles is an appropriate description of the Harper government's latest omnibus budget bill, Bill C-45. It is an omnishambles because, although it is a budget bill, it contains measures that have absolutely nothing to do with the budget.

Earlier this year, Bill C-38, the previous omnibus budget bill, radically changed — undermined, many Canadians would say — environmental protection laws in this country. However, evidently, even that omnishambles bill did not undo as much of the environmental protection as the Harper government wanted to dismantle. A few short months later, we have this new omnibus budget bill that radically changes Canada's Navigable Waters Protection Act. The Navigable Waters Protection Act dates back to 1882. It was brought in under Sir John A. Macdonald.

Could it be improved? Very possibly, and indeed the act was amended by the Harper government in 2009, only three years ago. Notably, those amendments were also contained in an omnibus budget bill, then Bill C-10. Honourable senators may recall that

the Standing Senate Committee on National Finance took the unusual step of reporting the 2009 budget bill back to this chamber with an observation stating that the practice of using omnibus budget bills:

. . . has the effect of preventing Parliament from engaging in meaningful examination of the myriad policy proposals contained in them. In particular, the practice makes it almost impossible for committees to conduct a thorough study of the proposed legislation.

The committee's report made particular mention of certain objections that had been made at second reading by Progressive Conservative Senator Lowell Murray, whom honourable senators will recall served for many years on the National Finance Committee, including many years as either chair or deputy chair. Senator Day read some of this at second reading, but I believe it bears repeating. The committee's report quoted Senator Murray as saying:

Honourable senators, as I said, the amendments to the Navigable Waters Protection Act, the Competition Act and the Investment Canada Act do not belong in the budget implementation bill, nor does the proposed new public sector equitable compensation act. Those measures are even more conspicuously out of place in this particular budget implementation bill, focused as it properly is on immediate economic stimulus and recovery.

He added further:

The amendments to the Navigable Waters Protection Act, the Competition Act, the Investment Act and the proposed new public sector equitable compensation act are far-reaching. In some cases, there are fundamental changes; in a few cases, there are historic changes. Most important, there are strongly held differences of opinion on these issues among those Canadians who are most knowledgeable, most concerned and most directly affected by these proposals.

In the interests of sound public policy and, indeed, in the interests of the democratic values we espouse, we have a duty to hear them. Their concerns about adverse legislation should not be brushed aside by sneak attack, which is what happens when extraneous measures are forced through in an omnibus budget implementation bill.

Honourable senators, three years later, the Harper government is introducing more changes — even more draconian — to the Navigable Waters Protection Act, and once again they are buried within an omnibus budget implementation bill.

Why are we now, a mere three years later, being asked once again to pass extensive changes to one of Canada's oldest statutes and once again being compelled to do so on the fly? Did the government not get it right in 2009? Were mistakes allowed to pass uncorrected because of the omnibus nature of the bill? Or is this really, in the words of Senator Murray, another "sneak attack"?

If the government is confident that these are the right changes to make at this time, why not put them in a stand-alone bill and let them be studied, with full opportunity for comment by interested and knowledgeable Canadians?

One of the things that the bill does is change the name of this 130-year-old act from "Navigable Waters Protection Act" to "Navigation Protection Act." This is a major change, honourable senators. The government is saying that the act is no longer about protecting the waters but about protecting navigation. However, not only does the Harper government want to transform what the act will do in the future, it is also trying to rewrite history as to what the act has done in the past.

• (1610)

The Minister of Transport's own website was clear that an important purpose of the Navigable Waters Protection Act was to protect the environment. The Navigable Waters Protection Act FAQ — frequently asked questions — page mentioned the environment 23 times. The website said, among other things, "These stiff new penalties reflect the government's ongoing concern towards maintaining the safety of public navigation and the environment."

Of course, the government has been claiming that the name change does not really change anything and that the original act had only been concerned with protecting navigation. When questions were raised in the other place on October 23 about the discrepancy between what the government was claiming and what its own website said, that very night, honourable senators, the website was changed. Gone were all references to the act's role in protecting the environment. As I have said before, this government is more Orwellian than even George Orwell could have imagined in his book *1984*. Inconvenient entries on the Internet? Wipe them out — erase history — rewrite it to suit your latest version of the facts.

May I have another five minutes?

The Hon. the Speaker: Is it agreed?

Hon. Senators: Agreed.

Senator Cowan: Thank you.

Even the title of the website page was changed, to "Navigation Protection Act," months before the bill making that change even arrived here in this chamber. Evidently, the Harper government had no worries about its ability to pass this "omnishambles" of a bill without amendments, and it was confident that none of its caucus members would challenge even the amended name of a 130-year old act.

Small wonder the Conservative government was so confident that its caucus members would support these changes. The amendments will remove federal oversight protection from thousands upon thousands of Canadian lakes and waterways across the country. Only 97 lakes, 62 creeks, rivers and canals, and, of course, the oceans will continue to enjoy federal protection.

The changes to the Navigable Waters Protection Act of course are far from the only controversial sections of this omnibus budget bill. Last week, Canadians witnessed a group of First Nations chiefs coming to the door of the other place, trying to enter during the debate on this legislation. Their voices, they said,

were not being heard on a bill that was going to affect them very directly and immediately. Since then, there have been more demonstrations across the country, in Calgary, Edmonton, Regina, Saskatoon, Winnipeg and Kenora.

First Nations are particularly concerned about the amendments to the Navigable Waters Protection Act, the amendments to the Fisheries Act and the amendments to the Indian Act.

Honourable senators, what are these provisions doing in a budget implementation bill, and why are they being pushed through without proper consultation with the First Nations themselves? Our Constitution is very clear about the duty to consult with First Nations — it is a constitutional responsibility. Frankly, it is the right thing to do.

By the way, a number of the amendments to the Fisheries Act set out in Bill C-45 correct mistakes that were connected to Bill C-38, the omnibus budget bill that flashed through Parliament a few months ago. The last omnibus budget bill, C-38, had provisions correcting or undoing provisions from previous omnibus bills, and this one now has to undo or correct provisions contained in Bill C-38.

However, that is to be expected. That is what happens when a government tries to circumvent the checks and balances in a system. This is what happens when a government approaches the legislative process as though it were a homework assignment — make a mistake, oh well, do it over. This is etch-a-sketch legislating — try something; it does not work; shake it up and try again.

This is no way to write or pass laws. This is no way to govern.

There are far too many issues in this “omnishambles” of a bill that have no business in a bill on the ways and means of the government. Electronic travel authorizations and “mini-visas” — these are issues that are dealt with in this bill. Serious questions have been raised by the Privacy Commissioner of Canada about privacy issues. Let me read to you what she had to say about this:

As we understand it, Canada and the U.S. continue to negotiate terms around information-sharing in this context. Some of the data points collected include family name, date of birth, country of citizenship, country of birth, country of residence, gender, email addresses and telephone numbers and passport number. There are also highly sensitive questions about exposure to communicable diseases, physical or mental disorders, substance abuse and criminal history.

Honourable senators, this is very serious. The Privacy Commissioner went on to say:

To a large degree, these matters have been shaped behind closed doors, most notably through arrangements with the U.S. rather than through open and public debate.

“Open and public debate” — I agree. Instead, these amendments do not provide the needed detail. They themselves are buried deep within a 400-plus page omnibus budget bill and,

to add insult to injury, are now being pushed through with time allocation, limiting the already limited open and public debate that exists.

Perhaps we should be looking at what is not in the bill and asking why it was not included. For example, Canadians have joined the world in celebrating the news that Their Royal Highnesses the Duke and Duchess of Cambridge are expecting a baby. With that came the news that the royal succession rules will finally be changed to end the long-standing discrimination against women ascending to the throne. In this context, Jim Reynolds of Niagara-on-the-Lake wrote a letter to the editor of *The Globe and Mail*. It read:

Why not bury the required Canadian succession legislation in the omnibus budget bill? The Conservatives could then accuse the filibustering Opposition of being sexist and anti-monarchist.

Last spring, on yet another time allocation motion, I said that if we accept the government's evident disdain for our considered views, if we accede to the repeated, relentless pushing through of legislation with no opportunity for us to do our job, and then, the ultimate, the guillotine of time allocation, honourable senators, make no mistake, then this is our own choice. It is we ourselves who bring down that guillotine — a kind of suicide of the Senate.

I will conclude on this note. I said last spring, and I say again: I do not believe any of us came to this chamber to be a party to that. We each came here because we wanted to do our part to make Canada a better place.

It is a privilege we have to serve Canadians in this chamber, but it is a privilege we must constantly earn. This is a place where through the decades, for more than a century, serious issues were studied and debated, and thoughtful solutions proposed and passed. We each were summoned here because of the unique contribution it was felt we could make to the public business of the nation. We are following in a great tradition. Omnibus bills and time allocation motions such as we have seen are an abuse of that tradition. Frankly, they make a mockery of it, and of our role. That is not why I came to the Senate. I hope and believe that is not why my colleagues across the aisle came here, either.

Hon. Bert Brown: Would the senator take a question?

The Hon. the Speaker: There is no time left.

The rules for debate on a time allocation motion provide that the Leader of the Government and the Leader of the Opposition have 30 minutes. All other honourable senators have 10 minutes. Senator Cowan has exercised his 30 minutes, and the house unanimously gave him five more minutes, so there is no more time. We are now on debate, and the chair recognizes the Honourable Senator Tardif.

• (1620)

[Translation]

Hon. Claudette Tardif (Deputy Leader of the Opposition): Honourable senators, I rise once again during this session of Parliament to speak about a time allocation motion, this time on

Bill C-45, A second Act to implement certain provisions of the budget tabled in Parliament on March 29, 2012 and other measures.

From the start of this session of Parliament, just over 18 months ago, the government has used time allocation motions eight times in order to pass bills in this chamber and 28 times in the other place. We saw it last with the passage of Bill C-38, the massive budget implementation bill that amended more than 70 acts in a single piece of legislation.

Today, we have a bill that is 414 pages long, contains more than 516 clauses amending 60 acts, and goes far beyond what could reasonably be considered fiscal policy. In fact, it is not so much a bill as a complex legislative agenda.

I think that the government is showing a serious lack of respect by doing things this way. It is doing a disservice to the institution we represent.

[English]

Is there a particular urgency to the passage of this bill? None that I have seen or heard from the government. In fact, it is difficult to learn anything at all about this bill simply by listening to the government. Perhaps this is the objective of the government. Nobody is certain of the entirety of the content of this bill. As many have already mentioned, we are dealing with one of the largest budget implementation bills in the country's history. If you take something this complex and rush it through Parliament fast enough, maybe no one will notice the things you are hoping they will not notice.

I am sure that some of my colleagues opposite might point out that several of the Senate's committees undertook a pre-study of this massive bill after a motion was passed on October 30. Indeed, the Standing Senate Committees on Banking, Trade and Commerce; Energy, the Environment and Natural Resources; Transport and Communications; Aboriginal Peoples; and Agriculture and Forestry studied this bill's components over a total of 34 meetings and 49 hours and 11 minutes. That is a very good start.

However, no senator is a member of all of these committees. A senator who sits on the Energy Committee and the Aboriginal Peoples Committee may now have a detailed understanding of those elements contained in Divisions 4, 8, 18 and 21 of Part 4. However, that senator has had almost no opportunity to examine the rest of the bill. It is impossible for the members of this place to have had sufficient time at this juncture to study the complexities of this bill thoroughly.

Some might ask: Does the government really expect Canadians and Parliament to be able to provide due diligence in ensuring that this legislation is good public policy? The answer is, of course, it does not. It knows that no senator could possibly have a commanding grasp on the content of the entirety of this bill. Yet, it is demanding that we cast our votes on it later today. This embodies the cynicism — characteristic of this government — responsible for the ongoing erosion of Canadians' faith in their democratic institutions.

Last week, a study was published in *The Globe and Mail* that examined Canadians' attitudes towards democracy. It showed that over the last eight years there has been a substantial, consistent decline in Canadians' belief in the democratic processes of this Parliament. Canadians are already, by and large, checked out of the political dialogue in this country. If we continue on this path, will they eventually stop paying attention all together? Will anyone notice when one day this Conservative government introduces one bill that amends 200 or 300 laws as they see fit and then gives Parliament the rest of the year off?

[Translation]

Honourable senators, I believe it is our duty to take the necessary time in this chamber to debate this massive bill. We have differing opinions on how to make Canada a country with one of the best qualities of life in the world.

We are all here because we care passionately about our country and its future. So why ask us to adopt a time allocation motion in order to adjourn the Senate earlier? Why ask us to quickly pass this huge omnibus bill rather than take the time to examine and discuss the content of a series of separate bills?

I would like to draw honourable senators' attention to the comments that a prominent Canadian parliamentarian made about omnibus bills. I have spoken about these comments in the past, and my honourable colleague also made mention of them. However, I would like to point them out again because there are new senators who have joined us recently who should hear them.

During the First Session of the Thirty-fifth Parliament, the member of Parliament in question rose on a point of order. He said, and I quote:

Mr. Speaker, I am rising on a point of order to make a procedural argument concerning the omnibus nature of this piece of legislation. . . .

We can agree with some of the measures but oppose others. How do we express our views and the views of our constituents when the matters are so diverse? Dividing the bill into several components would allow members to represent views of their constituents on each of the different components in the bill.

Honourable senators, these words were spoken in the House of Commons by none other than the Right Honourable Stephen Harper, Prime Minister of Canada. Mr. Harper, who was vehemently opposed to the omnibus bill, rose on a point of order on Friday, March 25, 1994, with regard to a government budget bill.

[English]

As mentioned previously by my honourable colleague, the omnibus bill that the younger Mr. Harper rallied against was 21 pages long and entirely related to budgets and spending affecting 11 statutes. Today, we are examining 414 pages and over 60 different laws to be amended. What has changed? To paraphrase Mr. Harper's words, how can senators represent their regions on this matter when they are forced to vote in a block on such legislation and on such concerns?

What I have seen in this bill in the short time I have had to study it has been troubling. Among other things, it weakens laws protecting Canada's waterways; slashes tax credits for research and development; redefines Aboriginal fisheries without even consulting First Nations communities; eliminates the Hazardous Materials Information Review Commission; corrects numerous mistakes in Bill C-38, including some related to environment assessments and fisheries; and suspends the EI Financing Board.

Honourable senators, we have seen what happens when this government tries to rush legislation. It makes mistakes. That is what happened with this bill's massive precursor, Bill C-38. As Senator Day indicated in his excellent remarks yesterday, this bill actually includes a number of measures to fix mistakes in Bill C-38.

The Hon. the Speaker *pro tempore*: Honourable Senator Tardif, I regret to inform you that your time has expired. Are you prepared to ask honourable senators for an extension?

Senator Tardif: I have two minutes, honourable senators. It is only a conclusion.

The Hon. the Speaker *pro tempore*: Please proceed.

• (1630)

Senator Tardif: Thank you, honourable senators.

Honourable senators, as Senator Day indicated in his excellent remarks yesterday, this bill actually includes a number of measures to fix mistakes in Bill C-38, including omissions in the amended Fisheries Act regarding the passage of fish; poor drafting of transition provisions in the new environmental assessment law; and ambiguity around the ministerial approval process for certain investments by public investment pools. No one should be surprised, then, that Bill C-45 includes several mistakes of its own. The so-called "hiring credit" in Bill C-45 actually includes a hidden seven-cent EI premium rate hike for small businesses. This hiring credit also has the perverse effect of punishing small and medium-sized businesses around the \$10,000 EI premium threshold when they hire new employees or give their employees wage increases.

My Liberal colleagues in the other place attempted to fix these mistakes through amendments to Bill C-45. However, the Conservatives refused to support these amendments.

Before I conclude, I would like to remind honourable senators opposite that this government has a majority in this chamber. Bill C-45 will pass. It is only a matter of time. When honourable senators cast votes on this motion, reflect carefully on why you are being asked to do this. Do you believe in using one's position of relative strength to silence opposing voices?

Some Hon. Senators: Hear, hear!

Senator Brown: Would Senator Tardif take a question?

Senator Tardif: Yes, Senator Brown.

[Senator Tardif]

Senator Brown: Both Senator Tardif and Senator Cowan mentioned democracy a number of times and how we could make this place better if we talked longer and louder. I would like to suggest that perhaps the honourable senator might be better off if she had a vote that represented the province that she represents. So would Senator Cowan, and so would everyone else in this room, because then we would represent the provinces that brought us here and we would all be able to have a vote that actually counted.

As the honourable senator said, she is forced to vote in a bloc, which means her side will all vote on the Liberal side.

Senator Cowan: You can vote any way you want.

Senator Brown: We will then vote on this side and we will all vote the same on this side. If everyone in this chamber talked for 30 minutes, would it make any difference to the vote?

Senator Tardif: I am having trouble, honourable senators, relating the question to the comments I made in regard to Bill C-45. I would say, however, that from what I have seen — I do have to be careful — it does not seem that senators opposite are exercising their individual capacity to stand up. Let me rephrase that.

I would say, honourable senators, that we are all mandated to represent our regions. It makes it very difficult to do so when we are asked to vote for different clauses of bills that are all compiled into one massive omnibus bill.

Senator Brown: Is the honourable senator saying all people on that side will vote one way?

Senator Cowan: We will see. Wait and see.

Senator Brown: That is my point, that you are all going to vote one way and we are all going to vote one way, and we could talk —

The Hon. the Speaker: Honourable senators, the time has expired. Further debate.

Hon. Grant Mitchell: Honourable senators, I want to say a few things about this. Two excellent speeches have really covered the ground on the assault on democracy that this bill reflects.

I am quite interested in the fact that the two elected senators in this house today, Senator Brown just now and earlier Senator Unger, got up to talk about democracy in the context of the Senate and the hopefulness, which Senator Unger outlined, that, somehow, we will get Senate reform. As she was speaking, I thought it is very naive to think for one moment that, after seven years in power, this government is at all serious about Senate reform, or it would have done it. For sure, if it was serious about Senate reform, it would have put those Senate reform bills in the omnibus bill. If one ever needed a clear indication, Senator Brown and Senator Unger, that they are not in the least bit interested in Senate reform, then just ask yourselves why 60 acts are represented in this bill but those two are not. Sixty-two could have been put in.

Then I go to this idea that we vote as a bloc, and somehow, if we were elected, we would not. I ask Senator Brown — and maybe he has, but since I have been here I have not seen him ever vote against this government. Nor have I ever seen Senator Unger vote against this government. I do not think it follows immediately from the fact that someone is elected that they will vote against this government. In that context, I think there are some serious questions about this government's sense of democracy and its relationship to any way, shape or form of Senate reform, so do not lecture us on that.

Some Hon. Senators: Hear, hear!

Senator Mitchell: I am just waiting. Before you retire, would you please vote against the government? Maybe you could start by voting against the government on this. Could you do that? Maybe you could even introduce an amendment and vote against the government on that.

In any event, a number of themes have been picked out and pointed out by my colleagues, but I want to draw on a couple of other themes. The other day I was at a round table, a meeting of women, largely, who represented various women's groups on a range of issues that affect women's equality in our society today. One of the women came in and pointed out that she had a purse with a strap and on the strap she had a number of buttons that would say one thing and another about a political statement. She pointed out that she had only about half as many buttons on the purse when she arrived at the meeting as she did when she arrived at the front door because her buttons were censored by the guards at the front door for being too provocative. I was absolutely stunned that someone could not walk into the Parliament of Canada — their Parliament of Canada — with a button the size of a loonie that said something that this government might find offensive, that they could have it taken off. What have we become? The omnibus bill is, in one sense, just a reflection of a far deeper problem. It is the tip of the iceberg.

As I was thinking of saying “tip of the iceberg,” I was thinking about what analogy people will use to capture that idea 50 years from now, when there are no icebergs because they are all melted.

That brings me to a significant and specific theme of the erosion of democracy that we see in this government. It is very dangerous. This government denies science. It always ends badly when you see governments denying science. They also deny information. They shut down Statistics Canada, so they cannot measure half of the things that we need to measure to know if we are making progress and to change if we are not. Any time you see a government that denies science, denies information and shuts down their own experts, as has been described, then you know that it will end badly. That is a direct confrontation with proper democratic processes and democratic debate. You can never do it right if you hide and suppress information and ideas. It will never be right. Imagine what that young woman who comes into her Parliament and gets a button the size of a loonie taken off of her strap must feel about this place? Did any of us come to see that happen, to see that erosion and to witness a government that somehow thinks the people of this country are their enemies and that they have to fight them and put them down?

• (1640)

That brings me to another theme, the theme of the relationship of this government to the people of Canada. They do an MS study, a review of the MS bill, and will not allow individuals, patients, people who have this problem to come before their Parliament. That is the quintessential element of democracy. Those people were not asking for too much. They were asking for an hour of time to express something that is very important to them and maybe actually to help to solve a problem that is very important to many Canadians.

No, they were suppressed. It is so easy to give them that, so easy to extend that element of the democratic process to Canadians. No, they were viewed somehow as enemies because they may have an idea that we do not want to hear. They might cause a problem. They might be inconvenient. That really is what this comes down to.

The whole reason that Senator Brown and Senator Unger will never get Senate reform is because the Prime Minister of Canada would understand implicitly that if we were ever elected many of us would actually exercise the power that comes with that and would take power from the Prime Minister. He is all about power and control. Both of those things, exercised in that way, are a direct erosion of democracy.

What we have now is a government that thinks much of the parliamentary process is inconvenient. I know that they have this self-righteous belief that they have to fix things, that there is too much of this and not enough of that. What they are edging into, if not well past, is the ends justifying the means. If the suppression of science and information leads to no good, operating on the ends justifying the means leads to much worse than that.

What about some other themes? Showcase legislation in a way that I do not think I have ever seen before. It does not really do anything. It just sends a message that makes it look like you are doing something. These pooled pension plans — mark my words — will not do anything. They are not an improvement, an extension or a change to what already exists. This government can stand up and say, “We are really worried about people's retirements and have just brought in legislation.” It will do nothing, but they will say, “We are on your side; we are helping you.”

Now we see the suicide framework. They cannot even do a suicide plan. They cannot even do a national suicide prevention strategy. It is barely a framework. It will do almost nothing, but it sends a message. It is a showcase piece of legislation.

Then there is the elder abuse legislation, which really just reiterates what is in every province now. It is showcase legislation. It is doing nothing except sending a message that somehow this government cares. It makes it look like they are doing something, but they are not doing anything.

When it gets to the nitty-gritty of what needs to be done, the support, programs, policies and, yes, the money are not there. That is an abuse of the democratic process. It is even worse than that; it is a betrayal of the people who you are supposed to be representing.

What about attacks on charities? What about that? If you ever wanted to see a betrayal of democracy, an erosion of democracy, a vivid indication of the insecurity of a government, this government is so insecure that it does not want to broach the ideas of other people and would attack charities. Yes, they started on the environmental groups — because, of course, they do not like environmental groups — much to the detriment of ever getting a social licence to build any kind of pipeline that would allow us to diversify our markets. It morphed past that. It went on to churches. They started to attack churches for daring to engage in the democratic process with a little bit of help from the charitable taxation policies. Imagine the weakness of a government that is afraid to listen to churches entering the political debate. Imagine the weakness of a government that is afraid to hear people dedicated to making Canada cleaner and safer and sustaining its economy and its way of life and the world as well. Imagine that you are afraid to hear from them. What does it say about a government afraid to hear from five or six people with MS who could have their say in this parliamentary process? Imagine it. Imagine a government that will not let a young woman wear a button into the Parliament of Canada, her Parliament. It almost makes the omnibus bill look like a picnic, which it is not.

I want to talk about suppressing debate in many other ways. It is unprecedented. I would like another five minutes. Could I have another five?

Hon. Senators: Agreed.

Senator Mitchell: I have almost finished. I have made my point, by and large.

The other thing that is so indicative of the kind of government we have that really has no respect for the institution is the way they treat committees and do things in camera. What are you afraid of? If you believed in things that you knew were right and that could be sustained, you would not have to be afraid of debate. You would not have to arbitrarily suppress it. You would not have to go in camera so that no one can know what you do. It is unprecedented. It is even done for observations, which are basically harmless.

We talk so much — as we should — about our forces defending democracy and fighting for democratic rights and values in different parts of the world. Then we come back to this place, which is the icon, the deep symbol of those democratic values, democratic initiatives and all that we are as a democracy, and we have a government that dismisses it, diminishes it and puts it down as some kind of inconvenience. The parliamentary system is not an inconvenience. What we do in here is not an inconvenience. It is a fundamentally important reason why we in this country are — or were, up to seven years ago — honoured and envied around the world. The ends never justify the means. In treating Parliament as an inconvenience and in operating as though the ends justify the means, you are not just hurting this country, but far worse, you are hurting its democracy and its people. That is unforgivable.

Some Hon. Senators: Hear, hear!

[Translation]

Hon. Roméo Antonius Dallaire: Honourable senators, when I was in Quebec City about two weeks ago, an old friend told me that he was very pleased that the Conservatives are in power

[Senator Mitchell]

because he had had enough of Jean Chrétien's arrogance when the Liberals were in power.

When I go to Shawinigan, I am reminded of Jean Chrétien. And when I compare him to Mr. Harper, I cannot help but think of him as a novice who is not in the same league as Mr. Harper.

I say this because I am studying the concept of "omnibus." When I was involved in purchasing matériel, we created omnibus projects. The idea was that we would set up a number of projects with a common element, philosophy, or theme. We could combine disparate projects into a single entity.

The procurement of ships is an example of this. A ship is an omnibus project that consists of many different things: communications, an engine, protection, electricity, toilets. It is an omnibus project because all the individual pieces are put together to make a ship.

This is logical and it makes good sense.

• (1650)

[English]

Essentially they are forced multipliers, because they all reinforce each other into a whole. The problem with what we are seeing here is not an omnibus sort of program or project with a whole or sort of ensemble, but that we have a bunch of disparate elements we did not want to handle in a disparate way in the formal fashion. Therefore, they put them under the same envelope and tried to smoke it by us under something that really cannot be fiddled with, which is the budget.

Honourable senators, it is a ruse of methodology that is used here. The process is put into question. When I go back home at Christmastime, my kids will ask me about the work we are doing here. I will say that I am going to try to get such and such a bill through in the new year. I will have to go through a whole series of exercises of manoeuvring with people and convincing them, and all the different processes. It will take months to be able to achieve this bill. My kids will then ask, "Why do you do that? Why not just go to the other side and smoke this one underneath their omnibus bill and get it done in a couple of weeks?" It begs the question of why I am sitting here for nine or ten months a year.

Yesterday, I was thinking that the debate on Bill C-45 was coming up. I was at the UN, walking by the General Assembly. Those guys sit two months a year. The rest of the year they have clerks in their seats to keep their seats warm. The clerks keep the paperwork going and so on, but the members are there for only two months a year and they get everything through.

Honourable senators, we could save a whole whack of money and our time, and in fact be more effective in our democratic exercise in our counties and regions, should we ever be elected there. Instead of spending our time here in Ottawa, we could come in maybe two months a year, when the bill is presented. We

will spend one month here, go through the omnibus bill, beat the living daylights out of each other for a month and then pass the bill. Five months later, we could come back and do the next round.

Everything in between, unless there is a real crisis, is smoke and mirrors. Why have the committees sit all the time, when in fact they are not producing?

We have found the far more effective tool of the omnibus bill. That is far more effective and efficient. This is what the other side wants — efficiency. Why waste all this stuff? However, I would ask: Is it really responsible to our system of governance?

Honourable senators, I am not a constitutionalist. Even after nearly eight years here, I still consider myself a bit of an apprentice, because I am learning all kinds of things coming from the other side, in committee and in this chamber. I will now refer to someone who knew what he was talking about, and that is Mr. Eugene Forsey — a good guy and an interesting man. I will read some quotes from a book about him and I will start with the first one that states:

Eugene Forsey's conservatism was central to his values and political identity but so, too, was his vision of what Canada could do for its citizens.

Sounds pretty stable. Then we go on:

Eugene Forsey's life was one of remarkable achievements and rich contributions to Canadian education, labour, social progress, and parliament. But his perfect legacy is the body of letters, comments, and articles he wrote throughout his career to constantly remind us that the enduring value of our democratic political heritage depends on our continued understanding of it and our fidelity to it.

It continues:

... Eugene Forsey's project was, at heart, a conservative one. Like most of us, his early political outlook remained, largely, a lifelong orientation. The structures, practices, and restraints that grow up around political power reflect the goals and values that make that power not only tolerable but necessary in the modern age of liberty. Decisions of convenience and efficiency often drive us backwards into the dark and dangerous state. Canada's political society is organic and comes from specific needs and context which reflect our basic core values. When we seek to solve challenges or promote political advantage through the detachment of constitutional rules, we risk losing the state's essential and fundamental connection to legitimacy and history.

If I may continue:

Not only was Eugene Forsey a committed constitutionalist, he was both brilliant and outspoken in defending the rules by which we are governed.

It would be kind of nice to have rules and follow them.

Although strongly committed to progressive politics, his deepest political commitments were not to a party or program, but to constitutional order.

In line with Senator Brown.

A policy can certainly make short-sighted choices and pursue badly mistaken ideas in seeking good social arrangements; . . .

That can happen.

... but, in time, democracy is likely to provide the necessary corrections. This is only possible, however, if the established mechanisms are maintained and kept free of manipulation. . . . "Forsey wisely recognized that at the very heart of the liberal democratic state is the system for orderly recognition of those who are to be allowed to govern and those who are allowed to succeed to power. He understood, and passionately defended, the tested restraints on the acquisition of power that make us free from oppression."

... Eugene Forsey was a constitutionalist, someone who believed that those eminent rules which govern our political processes and which by practice and by text have been in place over time must be known, respected, and followed. The alternative to ordered politics is a kind of lurching opportunism that, in time, will destroy political stability and, possibly, the political nation that is Canada.

You are playing with fire. You are not playing with our democratic freedoms only; you are playing with fire. We either go through processes that are deliberate and established, or we fiddle. The last guy who fiddled, fiddled long enough that the walls fell down.

Thank you very much.

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

Some Hon. Senators: Question!

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

Some Hon. Senators: Agreed.

Some Hon. Senators: No.

The Hon. the Speaker: All those in favour of the motion will signify by saying "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker: All those opposed will signify by saying "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker: In my view the yeas have it.

And two honourable senators having risen:

Hon. Elizabeth (Beth) Marshall: We will agree to a 30-minute bell.

The Hon. the Speaker: That will require unanimity.

Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: Therefore, the vote will take place at 5:29 p.m.

• (1730)

The Hon. the Speaker: Honourable senators, the question is on the motion of the Honourable Senator Carignan, seconded by the Honourable Senator Andreychuk, that, pursuant to rule 7-2, not more than a further six hours of debate be allocated for consideration at third reading stage of Bill C-45.

YEAS THE HONOURABLE SENATORS

Andreychuk	Marshall
Ataullahjan	Martin
Bellemare	McInnis
Boisvenu	Meredith
Braley	Mockler
Brazeau	Ngo
Brown	Nolin
Buth	Ogilvie
Carignan	Oliver
Comeau	Patterson
Dagenais	Plett
Demers	Poirier
Doyle	Raine
Duffy	Rivard
Eaton	Runciman
Enverga	Segal
Finley	Seidman
Fortin-Duplessis	Seth
Frum	Smith (<i>Saurel</i>)
Gerstein	Stewart Olsen
Greene	Stratton
Housakos	Tkachuk
Johnson	Unger
Lang	Wallace
LeBreton	Wallin
MacDonald	White—53
Maltais	

NAYS THE HONOURABLE SENATORS

Callbeck	Hubley
Chaput	Jaffer
Charette-Poulin	Joyal
Cools	Kenny
Cordy	Mercer
Cowan	Mitchell
Dallaire	Moore
Dawson	Munson

Day
Downe
Dyck
Eggleton
Fraser
Furey
Harb

Ringuette
Rivest
Robichaud
Sibbeston
Smith (*Cobourg*)
Tardif
Watt—30

ABSTENTIONS THE HONOURABLE SENATORS

Nil

THIRD READING— MOTION IN AMENDMENT NEGATIVED

On the Order:

Resuming debate on the motion of the Honourable Senator Buth, seconded by the Honourable Senator Unger, for the third reading of Bill C-45, A second Act to implement certain provisions of the budget tabled in Parliament on March 29, 2012 and other measures;

And on the motion in amendment of the Honourable Senator Day, seconded by the Honourable Senator Mercer, that Bill C-45 be not now read a third time, but that it be amended, on pages 175 to 414, by deleting Part 4 and schedules 1 and 2.

Hon. Grant Mitchell: Honourable senators, six hours each would be about what you would need to even scrape the surface of what is wrong with Bill C-45. In its conception, it is wrong, which we have been discussing for the last two and a half hours, because it is an omnibus bill, which, for all the reasons pointed out, is reflective of an erosion of democracy. It is substantively flawed in so many ways that you will find each of us who speaks to it today will have to prioritize the elements of distress within it.

I have chosen to do that by speaking to one particular element of government leadership and policy weakness that, among many others, leads me to the inevitable, inexorable conclusion that I will vote against Bill C-45. I know that may come as a surprise to honourable senators, but I find that I cannot support it. One of the major reasons is that this omnibus bill, including as many things as it does, does not address the fundamental weakness in this government's approach to a national energy strategy. That is to say, they have not got a national energy strategy.

I am not sure that anybody has done this, but I would expect that if one polled Western industrialized democracies, one would find that Canada may be the only one that does not have an energy strategy. Yet, as the Prime Minister wants to say, we are an energy powerhouse, an energy superpower — or we are about to be; it depends how he is putting it at any given time. One has to ask Mr. Harper how he thinks we will achieve or sustain this status of energy superpower if we have no leadership. Will it happen by itself? We have no national energy strategy. We have no national environmental strategy. We have no national health care strategy. We have no national suicide prevention strategy. There is no “national” in this Prime Minister. It is as though he is washing his hands of it and saying that this will all be taken care

of by the markets. I ask this question, of course rhetorically: Would the market have won the Second World War? I do not think so. I think it needed some leadership.

There are two fundamental reasons that there needs to be urgency on the part of this Prime Minister and this government about a national energy strategy. The first reason, and this was the theme of the Energy Committee's great report, *Now or Never*, is the phrase coined by our former colleague Senator Angus: Our energy superpower status is in peril. It is in peril because we have a single international export market for our oil and for our gas, and that is the United States, and the United States will be self-sufficient in both of those things within, Mr. Prentice would say, five years. Others might say 10 or 15, but it will not be very long, and once that happens a huge chunk of what this economy is based upon will be gone.

• (1740)

If one had to define government incompetence, what would be a better definition than a Canadian federal government that, after seven years in power, cannot move along the process of building a pipeline in energy-rich Canada? That is the first sense of urgency. We are not building any kind of infrastructure that will allow us to diversify our markets.

The second urgency is climate change. I know there are still those people, and the Prime Minister is one, who in their heart of hearts deny climate change. The Prime Minister does not have the guts to say it, but his actions show that he must believe it.

As I said the other day, just ask the people in New York whether there is not a dramatic economic, social, human cost to climate change. Ask the people of the West Coast fisheries and the East Coast fisheries, whose jobs have evaporated along with the fish, if there is not a cost to climate change. Ask those in the forestry industry, as they see the forests of this country dying and with them many thousands of jobs. Ask the people of the North, and ask the farmers who have experienced unprecedented floods and droughts. Ask the people who are suffering from all kinds of unprecedented storms if there is not urgency to dealing with climate change. Ask them if there is not economic impact.

One thing that we in this country know for sure is that when Canada faces challenges like these, economic and otherwise, they do not get fixed by 13 separate jurisdictions working in silos. There must be national leadership. If you need evidence that this Prime Minister has no sense of that, that he in fact runs in the other direction, look at what is happening between British Columbia and Alberta. That is a fundamental problem. Two provinces cannot achieve agreement on how to build one of those pipelines. I am not surprised. Premier Clark is paid to represent the interests of B.C. and Premier Redford is paid to represent the interests of Alberta. They are paid to represent provincial interests.

Let me think for a minute. Who would be responsible for representing national interests? Well, that would be the Prime Minister, but has the Prime Minister met with those two premiers? No. Has the Prime Minister said "no" to their explicit request to meet with them? Yes, he has. Have major senior business leaders in Alberta and probably elsewhere said that the Prime Minister should play a role in mediating between these two provinces? Yes, and the answer is still "no."

To take it a little further, how could one have an economic strategy and economic success, how could one rally all the forces, all the resources and all the possibilities, and how could one inspire and motivate action, success and achievement of objectives if the CEO of a company said, "I will not talk to my 13VPs; I will just let them handle it. We will not sit around a table together and figure out how to bring people together and prioritize and help each other and supplement. We are not going to appoint people who are good at certain things to deal with those things, and we are not going to work out conflicts between departments"?

That is exactly what is happening in Canada. This is not the Canada that I know. In the Canada that I know we have a Prime Minister who leads.

Great challenges attract great leaders. Climate change is a challenge of historic proportions. The economic challenges that are facing the resources in the West are of historic proportions. Great leaders are drawn like a magnet to challenges like that, and weak leaders leave them and go and find something else. They say there are problems. They blame somebody else. Honourable senators, great leadership is not about excuses and about saying there are problems.

We did not hire the Prime Minister to do the easy stuff, did we? We hired the Prime Minister to do the hard stuff. Sure it is hard, and sure the provinces are difficult to deal with sometimes, and sure Mr. Harper might get beat up a little bit, but we hired him to do the tough stuff. The tough stuff is leadership, and leadership is not about excuses and about denying big challenges. Leadership is about grappling with and embracing big challenges and about results. We do not have a result on a pipeline; we cannot build a pipeline. We do not have a result on a national economic strategy of which that would be part. We do not have leadership; we do not have a result on a national energy strategy.

What could we do to get that? First, we have to start framing the issue differently. At the root of this is probably the government's contention that if we deal with climate change we will wreck the economy. As I have said many times, if you want to wreck the economy, just continue doing what you are doing, that is, not dealing with climate change, because the risks in climate change are absolutely infinite. Ask the people of New York how infinite that is. Ask the people of Staten Island what infinite economic risk is. They are suffering it right now, and this is happening all over the world.

The risks for us go one step further, because when people finally get it, as Mr. Bloomberg did when he endorsed Mr. Obama on climate change, they will be looking at this country — as they already are — very differently, and not all that positively. That can have huge economic consequences and huge consequences for our stature, our influence and our ability to negotiate economically and otherwise in the world.

We have to correct the idea that dealing with climate change is an economic problem, that it will wreck the economy. It is quite the contrary. We fundamentally restructured the economy to win the Second World War, and that did not wreck the economy. It generated one of the most successful Western industrialized economies in the world, and it has sustained a standard of living

practically unparalleled in the world for the last — I was going to say 70 years, but I will subtract the last 7 years because it has not been doing so well under this government.

A corollary of that is the idea that alternative energies or renewable energies do not work because they are not economic. Well, great leadership has vision. There was great leadership in the oil sands. I can remember going to the oil sands in 1991 or 1992 with Eric Newell, who was then the CEO of Syncrude and later became the chair. He is a remarkable and lovely man. I asked him what it cost to make a barrel of oil sands oil. He said it cost \$25. I asked him what he was selling it for. He said they were selling it for \$10. They were losing \$15 on each barrel of oil, which meant it was not economic, but a number of people had the vision to know that economies of scale, new technologies, changing market structures and changing prices would make it economic and, in fact, make it the engine of our economy, and now it is. It is a key engine of our economy.

Why get squeamish when it comes to renewable energy? Why is the government backing down on solar and why does it not want to lead on wind, tidal and all these other ideas and possibilities?

The second thing is the idea that somehow the government has no role to play in all of this. Back to Syncrude; Syncrude would not be what it is today, if it existed at all, if it had not been for the Liberal Government of Canada taking a 12 per cent equity position in Syncrude in the mid 1970s. That meant a lot of investment and some risk, political and otherwise, but thankfully they did it.

So why are squeamish now about alternative renewable energies? That is because there is no leadership and there is no vision. The government and the Prime Minister cannot grasp that he has an obligation to lead us somewhere different than where we are today because today is not sustainable.

What other elements would there be of a national energy strategy? I am not saying the Prime Minister needs to embrace a carbon levy or a cap and trade, although he once did embrace a cap and trade, but he needs to understand something that our Energy Committee heard repeatedly from witnesses, business people especially but others as well, and that is that everyone knows we have to price carbon. Not one single person said that regulation is the way to go. In fact, it is far more expensive.

As Bob Rae said in an excellent speech on energy strategy several weeks ago, we have to have a debate about this and we have to stop this stuff where somebody sticks their head up, mentions pricing carbon, and gets it hacked off. Great political leadership understands when you can play politics. There are times when you do that, but you do not play politics on this issue at this time.

The Prime Minister has a special obligation. Honourable senators, if he came into this in a reasonable way and said, "I want to sit down and talk about this," it would kill the division and the polarization around this issue, and we could have a reasonable debate, and we need to do that. In fact, it might be something on which the Standing Senate Committee on Energy, the Environment and Natural Resources could provide some very good insight.

[Senator Mitchell]

• (1750)

We need to have a strong and significant commitment in this national energy strategy to renewable energy. Renewable energy means investment. It means jobs. It probably means more jobs than what you get from traditional energy development in the long run. It means creativity. It means innovation. It means new markets that we will lose if we do not get on this.

We need to focus on energy self-sufficiency. I am really struck by the argument that is made over and over that Keystone is a no-brainer for the U.S. because the U.S. needs to buy our ethical and secure oil because they are getting unethical and insecure oil from questionable sources around the world. The Conservative government should consider that, in fact, that is the same place the Maritimes are getting their oil, and Quebec is getting its oil from the same place. Where is the leadership from this government and this Prime Minister on ethical and secure oil for Eastern Canada?

Mr. Oliver says we will never subsidize a west-to-east pipeline, ever.

Could I have five more minutes, please?

An Hon. Senator: Absolutely.

Hon. Senators: Agreed.

Senator Mitchell: Mr. Oliver, maybe it does not take subsidies. Maybe it just takes leadership. How would he know? He is just taking the industry's word. I have a lot of respect for the industry, but of course they have interests and they do not represent the national interests. They represent the shareholders' interests, as they should. We are taking their word as a matter of faith that somehow it is not economical to ship it that way and it is not economical to refine it. There are lots of companies that have excess refining capacity outside of Canada, and they will not argue that we should build refineries here.

Could the government not at least bring together the stakeholders and do a study on the economics of a west-to-east pipeline, a study on refining oil and other products in Canada, a study on maybe finding markets in Europe for our oil that we could refine in the Irving refinery, for example, in Eastern Canadian refineries and ship to Europe? Of course, that would be if we had such a reputation in the world that Europe would bother to buy from us, but we have a very serious problem with our reputation.

The national energy strategy should focus on distributed energy as a way of promoting rural development and sustaining rural communities and sustaining agricultural communities. We all worry. I know Senator Plett from Manitoba probably worries every day about what is happening to rural Manitoba communities because these communities have problems sustaining their economies. Well, distributed energy, solar and wind, is done largely rurally, so it would be a wonderful way to sustain. When one builds a big power plant, some of that is good it is in one spot and it spreads its power over huge areas, but it does not spread its jobs or its economic opportunity. Distributed energy does through biomass and farmers, et cetera.

We should not be attacking the environment and the environmental groups. We should be embracing them. That is what the forestry industry did. The forestry industry finally got over this idea of saying, "If they only understood us, they would not be reacting negatively." You know what? They did understand them, and that is why they were reacting negatively. We can keep pounding and pounding and pounding the same argument, but it is not working because people get it.

You have to get really good on social licence. You have to get really good on the environment and reducing greenhouse gases if you are going to get social licence, and that is where the two come together. That is where we can reduce the polarization of this debate. Whether you are 100 per cent in favour of the environment or 100 per cent in favour of development, you are not going to get development until you get social licence, and you are not going to get social licence until you get good on the environment.

That is the new reality. Leadership would see that reality, and leadership would not be playing the old game and would not be running from the real challenges. That is what we do not have. We do not have national leadership on a national energy strategy or any number of other things. In fact, I can hardly think of one thing we do have national leadership on, and I am saying to myself, "Could the Prime Minister please fill that void? Would someone fill that void?" We need it.

That is a major reason why I am not voting for this bill. If I had the full six hours to myself, I could come up with a whole bunch more reasons. Thank you.

Hon. Lillian Eva Dyck: As all honourable senators know, the Assembly of First Nations held its special chiefs assembly across the Ottawa River in Gatineau last week. The chiefs protested on the hill because they were so upset about what is happening with regard to Bill C-45.

Division 8 of Bill C-45 makes amendments to the Indian Act in relation to proposed land designations. By removing the double majority requirement, it allows land designations to be approved by a majority of electors of a band at a meeting or referendum without also having a majority of all eligible voters also present. It also enables the minister to call certain band meetings or referenda for the purpose of deciding on land surrenders. The purpose of this section is to speed up the land designation process so that First Nation communities can take advantage of economic opportunities more quickly.

While the impacts of these specific changes are not expected to be detrimental to First Nations, the decision to unilaterally amend portions of the Indian Act without prior consultation or accommodation violates the government's legal duties under the Constitution. It also breaks the recent promise of the Prime Minister at the Crown-First Nations Gathering not to do so without consultation with First Nations, and where he said:

Our government has no grand scheme to repeal or to unilaterally rewrite the Indian Act.

The Standing Senate Committee on Aboriginal Peoples, during its pre-study of Bill C-45, Division 8, held two meetings. Minister Duncan and officials came to speak to us one time, and the next

week we had a witness from the Assembly of First Nations, Ms. Kathleen Lickers, an external legal and technical adviser to the Assembly of First Nations on the matter of additions to reserves and specific claims reform. That was it — two meetings. I believe we had also invited one other vice-chief from the Federation of Saskatchewan Indians, but for some reason he was not able to attend.

I think the overall view from the First Nation communities, the Assembly of First Nations and other regional chiefs is that they are not happy with this bill because of the lack of consultation. I believe that view is reflected in our observations on the bill. It is put in strong but delicate language.

Last week, as we all know, the First Nation chiefs were on the hill and in the foyer to the House of Commons. The chiefs were very upset. Chief Wallace Fox from Saskatchewan, from Onion Lake, a very prosperous First Nation, spoke about their objections to the bill. The chiefs were upset at the lack of consultation and the implications that passing this bill might have with respect to actual ownership of the land. They are not confident that this is the best way to go, and they are not in favour of this bill being passed. They do not want any changes to the Indian Act without being consulted and accommodated. They want their treaty rights to be honoured by the Crown.

At our committee meeting, the minister indicated he had consulted with First Nations, but the extent of this so-called consultation was to send a letter to all First Nation chiefs across the country, informing them that the bill had been tabled. He said that he had not received any complaints. However, two letters were received by the committee after the bill was tabled and after the minister said he had received no feedback. Chief Wallace Fox was one of the chiefs who wrote to us, saying, "Stop the bill. We do not want it to proceed."

Ms. Lickers, who represents the AFN, also talked at some length about the words "designation" and "surrender," which are prominent in the bill, and their meaning within the bill. She said although surrendering of lands is the term used legally, it is actually poorly defined or vaguely defined in legal terms. There is concern about what surrender means to the actual ownership of the land to the individual First Nations. Yet, at the same time, she did indicate that the bill was a positive move that may help initiate economic activity on reserves.

• (1800)

Ms. Lickers stated:

When the introduction of designation was made in 1988, it invited that very confusion; namely that the act of leasing lands was not to change the reserve land base. They were not surrendering lands. However, the provisions were drafted such as to describe designation as some kind of conditional surrender. In other words, the First Nation was surrendering lands to the Crown but on the condition that they would be surrendered for the use of leasing purposes. When the lease expired, they would revert back to reserve land base. Even today that invites an enormous difficulty [in interpretation].

Honourable senators, Ms. Lickers did indicate that the word “designation” was open to interpretation and that because it was used commonly, she did not have a great objection, but she said there was a concern that within individual First Nations it is not really clear exactly what that means. I repeat, it is not really clear exactly what that means.

Apparently, from what has been said to me by chiefs, there is a question as to whether, in the case where land is surrendered and leased to someone who is not a First Nation member, or is leased to a corporation, there might be difficulties if that corporation goes bankrupt. Since land leased by a corporation can be used as collateral to banks in return for loans, if a corporation were to go bankrupt, then there is much ambiguity over whether the leased land now belongs to the bank or if it reverts back to the First Nation. Although the intention is apparently a temporary surrender, again, because the word “designation” is open to interpretation, there is understandable objection by First Nations.

It is sad, but this type of confusion could have been avoided had the government simply consulted with First Nations, as is their constitutional obligation.

Honourable senators, it is worth noting again that if there had been more consultation with the various First Nation parties, the question of surrender would have been discussed ahead of time, that is, before the tabling of the bill, and there might have been something included in the bill that specifically addressed their concerns. Surely this is not too much to ask.

Honourable senators, I will read into the record the letter Chief Fox sent to the Aboriginal People’s Committee. He said:

We have been silenced by the Parliament process. We cannot make any oral intervention. As a result, we are submitting our written statement. We want the sections 206 to 209 removed from the Omnibus legislation and a process that respects our relationship developed so as to meaningfully discuss the proposed changes. We are being silenced by the parliamentary process in a manner that can only be considered undemocratic.

Honourable senators, Chief Fox’s comments and frustration run deep through the Aboriginal communities in this country. The opposition against the omnibus Bill C-45 changes in the Aboriginal community is not just limited to the chiefs; it has mobilized Aboriginal youth as well. Thousands of young people have gathered this week in 13 cities across the country to protest Bill C-45 and the undemocratic nature of these unilateral changes. Under the banner of the Idle No More movement, Aboriginal youth held protests just this past Monday. Over 300 people protested in Manitoba; the crowd swelled to 500 in Saskatoon.

Honourable senators, I was disheartened to hear the minister dismiss this movement as “just social media,” on Tuesday. I hope the minister and the government take a good look at what is happening here and realize that the only way forward is through cooperation, true partnership and mutual respect.

The protest continues today. As I stated before in my remarks on Bill C-27, Chief Theresa Spence, from Attawapiskat First Nation, is on a hunger strike just across the way on Victoria

Island. Today at noon, there was another protest in support of Chief Spence on the front steps of the Parliament Buildings, and I took part in that. They asked me to speak. The protest continues, and it will continue.

Honourable senators, I stand with the chiefs and Aboriginal youth across the country and urge all honourable senators to vote against the passage of Bill C-45.

[Translation]

Hon. Roméo Antonius Dallaire: Honourable senators, I read a comment made by a late, great politician when I was looking at the budget and some of the programs — and I always come back to defence — that the government said it would invest in and promised would have a positive outcome. I am thinking about the F-35s in particular, but there are other programs such as the helicopters and a number of other plans that are pending. I read this comment and thought it was interesting:

[English]

Asked what qualities a politician required, Churchill replied:

The ability to foretell what is going to happen tomorrow, next week, next month and next year. And to have the ability afterwards to explain why it didn’t happen.

When we look at some of the projects, programs and budgetary actions, we tend to hope that, in fact, extraordinary abilities will be demonstrated by the government to explain why things do not happen the way they foretell.

This brings me to promises of the past and implementation thereof, specifically in the arena of pensions for members of the Armed Forces and the RCMP. The members of the forces and the RCMP are not civil servants. They function under a completely different act. They each have their own acts, namely, the National Defence Act and the Royal Canadian Mounted Police Act. As such, they are assessed in a different fashion in regard to salary and benefits and in terms of what they deserve when they are put into various conditions that no civil servant finds himself in an obligatory fashion. In the whole-of-government concept, civil servants can be deployed in operational theatres, but they volunteer. The soldier and the RCMP are sent and ordered. Therefore, there are different compensation levels in order to recognize that element.

We have troops that have been in the field now for nearly 20 years. We had a military that in the Cold War was essentially in garrison, training to go to war, a classic war in Central Europe. Since the first Gulf War, both at home and in insurrections, and also overseas in complex conflicts of imploding nations, we have seen our forces deployed in theatres of war, in war zones, in conflict zones, taking casualties, and now finally making their way home to garrison and re-stabilize, lick their wounds, and be prepared for the next round of missions the government sends them on.

Just before we entered that era of conflict to an extensive degree in the late 1990s, and as we moved into the new millennium, where the pace continued to increase, we came to finally resolve the salaries of the military, their quality of life, and programs for

them and their families, because they were so far behind the general population and the public service. We are talking 11 per cent; and we are talking 18 per cent in certain rank levels. We had soldiers who were holding down two jobs. Their wives were also holding down two jobs in order to make ends meet while their husbands were serving overseas. I remember in the early 1990s, even before the Liberal regime, we had soldiers on the bread lines, particularly those who were deployed, the young privates and corporals.

• (1810)

We resolved the pay issue before this government came into power, and we also resolved the quality of life issue so that when the troops deployed, maybe they had the wrong colour of uniform, but they were supported and their families were supported. That support continued, which maintained morale amongst the troops and their families, and they continued to serve.

When they come back from war, the first thing that hits them is not just a reduction in tempo, which is what they are looking for, but also a reduction in capability — that is to say, budgetary cuts to the Department of National Defence; and these are not going towards reducing equipment or maybe even numbers, giving members the opportunity to perhaps go elsewhere, but there are reductions in operations and maintenance, which means in quality of life, in potential pay increases, and in their ability to continue to perform professionally and be gainfully employed.

We see these cuts hit them as they come home and have to absorb this new way of life. They are seeing their quality of life taking a hit, at a time when they are finally back with their families and could use it. All of a sudden, we decide we will make them more equitable within civilian industry where there is no civilian industry, except for security companies, which are paid humongous amounts of money to do soldierly work in overseas theatres.

We see them come back and all of a sudden face a significant take-home pay cut. This take-home pay cut hits them in two ways. First, the operational theatre pay they were getting for being in those theatres of operation, which was several thousands of dollars, disappears because they are not in the operational theatres any longer. You may think well, they must adjust to that, even though they were at war in Afghanistan for nearly 10 years and receiving that rhythm of pay for that length of time, which established a certain rhythm of budgetary capability in the family.

With that take-home pay being adjusted and eliminated, they are now being hit by the same government — this government that says they love them so much, need them so much and care for them so much — with the introduction of this new pension program, this 50-50 scenario. The forces have a variant to that, but it is essentially in the same ballpark as the plan for the public service. Essentially, that cut is in the order of 4.5 per cent to 5 per cent. That is half of the pay increase we gave them before they went to war. Now they come back from war, and we are going to cut their take-home pay by 5 per cent, because they will have to pay that amount into the pension plan. They will do that over five years, after the other benefits they were receiving for years on end.

Was that assessed? Did we simply determine that they are like public servants, who go home at a certain hour every night, come in early or leave early, know the name of their bus driver, have been living in the same house for the last 25 years, know the routine, know what to expect in their in-baskets going into their out-baskets? There is a certain continuity of rhythm in that stable environment of the public servant.

However, in the life of soldiers RCMP officers, who are posted in different places across this country and overseas every two or three years, they and their families must adjust to those changes, to the fact that in the last 20 years they have been in theatres of operation that have taken casualties and where they are affected by the impact of those operations on their way of life. We are now adding to that, in this universal exercise by the federal government, a cut to their take-home pay. I just do not see how one can do that and still say, “You people are special; you are our heroes; you are the people protecting us; we are very glad to send you over.”

One brother-in-law asked me what we do during peace time, and I talked about that, saying we phone in during the morning and the rest of the day we do whatever we want. I have another brother-in-law, who said, “It is a good thing that medals exist.” I said, “Oh, yeah?” He said, “Yeah. Look, you get a bunch of medals for things that you have done,” and I said, “Yeah, okay.” He said, “Because, you know, medals are cheap.” It is a cheap way of recognizing what people do. It is a lot cheaper than giving money or some sort of financial benefit for bravery. How much is bravery worth — \$20,000, \$15,000? Maybe we could put a number on it.

Instead of doing that, he said, “That was smart; give these guys medals and they will feel good about it, and we will build them a monument here and there, and we will ascribe the names of those who were killed, and we will be proud of them.” That is all neat stuff, but it does not buy the bread; it does not pay the rent; it does not compensate for their way of life. It certainly does not compensate for the fact that these people are living a whole different way of life in order to be prepared when we call them up again to serve.

Or maybe we do not want them to serve again. Maybe we are happy to get rid of them and simply start anew, and God knows how many casualties we will take when we do that. If you will remember, in World War II the army was barely 4,000 strong, with about 40,000 reservists who met a couple weeks per year. It took three years for us to be operational. We had 40,000 casualties before we even hit the enemy. The generals learned their jobs by piling the bodies of those troops in those battalions while trying to figure out the proper tactics to fight.

We cannot afford to do that any longer, and we cannot afford to lose that expertise, nor that experience, nor the depth that we have provided to our forces to meet our requirements. We want them to be experts, and we want them to be heroes, yet we treat them like everyone else. We say, “Tough; you are back home, it is peace time, so take a budget cut and live like everyone else. Next time we need you, we expect you to be there and to be just as committed as you were the last time.”

I think this is absolutely scandalous. I think that putting that on the same scale as every other Tom, Dick and Harry in the government is scandalous because every word we have heard from the other side is, “We love our soldiers, we want them to serve, we treat them as heroes, we have an enormous amount of respect for them and we have their and their families’ best interests at heart.”

Senator Mitchell: Sounds like the decade of darkness.

Senator Dallaire: Senator, you are not allowed to take the words out of my mouth.

Senator Mitchell: Sorry. I am just agreeing with you.

Senator Dallaire: I am just saying that here is point number two of opening that door. We may have done a lot when we had to meet budget cuts, but now you do not need the troops any longer and you are treating them like everyone else. You want to throw them into whatever other program and hopefully they will respond. You are opening that door of darkness.

These are veterans. These are not peacetime soldiers like we were in the early 1990s. These are veterans. Veterans, as we learned after World War II and Korea, do not take the same scenarios that non-veterans do. They have paid the price. They live with the scars, as do their families, and in so doing, they will not tolerate it. In turn, we risk losing a significant capability that we have paid so dearly in blood, in experience and in resources to acquire, in order to be able to accomplish significant things overseas and in other theatres of operation where our security is at risk and where we absolutely need them to be prepared to give their all once again, with unlimited liability, to meet the missions that we, in these buildings, decide to give them.

The Hon. the Speaker pro tempore: Further debate?

Senator Carignan: Question.

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

Senator Fraser: On the amendment.

The Hon. the Speaker pro tempore: On the motion in amendment of the Honourable Senator Day, seconded by the Honourable Senator Mercer, that Bill C-45 be not now read a third time but that it be amended on pages 175 to 414 by deleting Part 4 and Schedules 1 and 2.

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 in amendment?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker pro tempore: All those in favour of adopting the motion in amendment will please say “yea.”

Some Hon. Senators: Yea.

The Hon. the Speaker pro tempore: All those opposed to adopting the motion in amendment will please say “nay.”

Some Hon. Senators: Nay.

The Hon. the Speaker pro tempore: In my opinion, the “nays” have it.

And two honourable senators having risen:

The Hon. the Speaker pro tempore: Whips, do you have an agreement?

Senator Marshall: Thirty minutes.

Senator Munson: We have agreed.

The Hon. the Speaker pro tempore: The vote will be at 10 minutes to seven.

• (1850)

Motion in amendment negated on the following division:

YEAS THE HONOURABLE SENATORS

Callbeck	Jaffer
Chaput	Joyal
Charette-Poulin	Mercer
Cordy	Mitchell
Cowan	Moore
Dallaire	Munson
Dawson	Ringuette
Day	Rivest
De Bané	Robichaud
Downe	Sibbeston
Dyck	Smith (Cobourg)
Eggleton	Tardif
Fraser	Watt
Furey	Zimmer—29
Hubley	

NAYS THE HONOURABLE SENATORS

Andreychuk	Manning
Ataullahjan	Marshall
Bellemare	Martin
Boisvenu	McInnis
Braley	Meredith
Brazeau	Mockler
Brown	Ngo
Buth	Nolin
Carignan	Ogilvie
Comeau	Oliver
Dagenais	Patterson
Demers	Plett
Doyle	Poirier
Duffy	Raine

Eaton	Rivard
Enverga	Runciman
Finley	Segal
Fortin-Duplessis	Seidman
Frum	Seth
Gerstein	Smith (<i>Saurel</i>)
Greene	Stewart Olsen
Housakos	Tkachuk
Johnson	Unger
Lang	Wallace
LeBreton	Wallin
MacDonald	White—53
Maltais	

ABSTENTIONS THE HONOURABLE SENATORS

Cools—1

The Hon. the Speaker: Accordingly, the amendment is defeated.

Honourable senators, the question for the remaining time that has been allocated is on the motion for third reading of Bill C-45. Is there debate?

Hon. Catherine S. Callbeck: Honourable senators, it is my pleasure to rise this evening to speak on third reading of Bill C-45, the budget implementation act part two. As a member of the Standing Senate Committee on National Finance, I have participated in much of the committee's examination of this legislation.

As honourable senators know, Bill C-45 is a massive legislative initiative; it consists of over 500 clauses and contains 414 pages. I looked up the Budget Implementation Act of 2001, just for comparison. It contained 47 clauses, and it was over 124 pages.

Honourable senators, I am not the first to comment on the sheer size of this recent budget implementation bill. Professor emeritus of political science at Queen's University, Ned Franks, who is no stranger to the Standing Senate Committee on National Finance, noted the following in 2010:

Between 1995 and 2000, budget implementation acts averaged 12 pages in length. From 2001 to 2008, they averaged 139 pages. In 2009, the two acts added up to 580 pages - 32 per cent of Parliament's legislative output that year.

He went on to note:

The 2010 Budget Implementation Act, Bill C-9, contains 883 pages of varied and unrelated legislative provisions. It could form close to half the pages of Parliament's legislative output for 2010. These omnibus budget implementation bills subvert and evade the normal principles of parliamentary review of legislation.

Given that this bill has arrived from the other place without a single amendment, one would be under the impression that the government thinks the bill is perfect as written. However, they said that the last time around about Bill C-38. In fact, this bill,

Bill C-45, is fixing a number of mistakes that were brought forth just months ago in Bill C-38. This should come as no surprise because we remember how that bill was rushed through this chamber and the other place with very little examination or amendment. The fact that we are correcting these mistakes so soon after Bill C-38 is a testament to the flaws of these omnibus bills.

This bill is called the budget implementation act part two. One would think that it would contain measures found in the budget document.

• (1900)

Unfortunately, honourable senators, that is not the case, and it has become a very troubling trend with this government. In the budget bill there is no mention of changes to the Fisheries Act, yet we find them in the bill. The same goes for Division 8 with amendments to the Indian Act, changes to judges' salaries in Division 9, amendments to the Canada Labour Code in Division 10, and eliminating the Merchant Seamen Compensation Board in Division 11. These are a few examples, honourable senators, and there are many more, but I hope that I have made the point.

The most frustrating thing about this bill is that there are aspects of it that I would support had they been introduced as stand-alone legislation. For instance, I sit on the Agriculture Committee. We heard repeatedly from stakeholders that the amendments to the Canada Grain Act were a good first step. However, if that were a stand-alone piece of legislation, we could take it from a good first step to a good whole step, and give the industry what they want at once. However, because this is an omnibus bill, making those changes was made practically impossible.

I believe the extension of the so-called hiring tax credit will continue to benefit small businesses in Prince Edward Island and across Canada. I would like to see it strengthened further. Amendments the Liberal Party brought forth at the House Finance Committee would have done just that; yet, they were rejected by this government. However, I must add that I certainly support this program, but the word "hiring" in the name is quite misleading, because businesses do not actually have to hire a new employee to receive the credit.

I also fully support the idea of a new bridge between Windsor and Detroit. Another crossing will shorten wait times at the border and make trading with our largest partner more efficient. However, gutting environmental regulations to do so is a mistake.

I am also pleased with the improvements being made to the Registered Disability Savings Plan. These changes were welcomed by witnesses at our committee and will increase the flexibility for beneficiaries of RDSPs.

The problem, honourable senators, is that these few positive changes are buried deep inside the hundreds of pages of amendments that are simply unacceptable.

The variety of cuts being made to the Scientific Research and Experimental Development Tax Incentive Program will reduce Canada's international competitiveness and it will cost Canadian jobs. These major changes reduce the general tax credit from 25 to

15, reduce the proxy amount used for overhead from 65 to 55, and remove capital from the expenditures eligible for the SR&ED credit. Considering that SR&ED is the largest single source of federal government support for industrial R&D, it should come as no surprise that a large number of stakeholders are extremely worried about the proposed changes.

For example, in a submission to the Standing Committee on Finance in the other place, Acadian Seaplants Limited of Dartmouth, Nova Scotia stated:

Our company was built on the back of the SR&ED program. We employ 300 people, export to over 70 countries and have 25 researchers on board, including 10 PhD on staff. The proposed changes will discourage R&D investment in Canada, which is a step in the wrong direction. We must find the path to encourage more R&D, not less.

In another submission to the same committee, Teledyne DALSA Inc., based out of Waterloo, Ontario and Bromont, Quebec stated:

This SR&ED reduction will drive a distressing and fundamentally damaging change to Canada's R&D activities at our biggest R&D investors in the country. . . . the long-term impact will begin to be seen at Teledyne DALSA in 2014 as we reduce R&D staff growth, slow down product intros, and scale back the expansionary activity we have demonstrated for 20 years.

The Humble Manufacturing Company of Burnaby, British Columbia argued in their submission that:

Reduced incentives will discourage small companies with limited resources, such as Humble Manufacturing, from undertaking new product development projects.

Honourable senators, these are the small- and medium-sized businesses that drive our economy. They are raising a very large red flag over these proposed changes. In what the government always reminds us are uncertain economic times, we should be doing everything in our power to encourage investment in Canada and support Canadian research and development. Instead, this government has chosen to do the opposite.

I am also concerned about the elimination of the Corporate Mineral Exploration and Development Tax Credit, as well as the Atlantic Investment Tax Credit on oil, gas and mining. The government is doing away with both of these credits and, given how vulnerable our economy is and how important these sectors are to the Canadian economy, I think it is short-sighted to discourage investment in these areas.

The foreign affiliate dumping provisions in Bill C-45 have also raised major concerns from Canadian financial and mining sectors. In a letter from the Toronto Stock Exchange and the TSX Venture Exchange dated November 14, 2012, the two groups laid out some major problems. The letter stated:

Based on our preliminary research, we estimate that in excess of 700 publicly-traded Canadian corporations with operations in a foreign jurisdiction could potentially be inadvertently and inappropriately impacted by the Proposed Rules. . . .

A similar letter dated October 13 from the Prospectors and Developers Association of Canada argued that:

Given the substantial quantum of money required to bring a mining project into production, the proposed provisions will result in an unacceptable level of additional tax risk being added to the undertaking of the development of the project, making it less attractive for foreign investors to invest in such CRICs [corporations resident in Canada] and consequently adoption of the foreign affiliate dumping proposals as currently drafted will make it extremely difficult for Canadian juniors to finance large projects.

Again, honourable senators, my Liberal colleagues in the other place proposed amendments to fix these issues at committee. They proposed an exemption to the new provisions for publicly-listed companies. Again, the government declined these amendments or changes to the bill without any really good explanation.

Honourable senators, then there are the massive changes being made to the Navigable Waters Protection Act. These amendments make a number of major changes. First, projects that would require an environmental assessment under the Canadian Environment Protection Act will be decreased. The changes mean only 97 lakes, 62 rivers and 3 oceans will require full assessments to take place. According to the University of Guelph, Canada has over three million lakes, with over 33,000 of them being more than three square kilometres in size. With these amendments, less than 1/100 of a per cent of Canadian lakes will now require full environmental assessments for major projects.

These changes will also compromise the rights of every Canadian to navigate waterways. Stakeholders seem quite divided on these changes. I am afraid these proposed amendments will further erode our environmental protection laws and standards. It appears that the government is simply pandering to the oil, gas and mining industries with these changes, ignoring the long-term environmental impacts this legislation could have.

One of the troubling patterns that emerged from the witnesses we heard from, in particular Aboriginal groups and stakeholders, was the total lack of consultation that this government had with the people who would be affected the most by this bill. I believe this idea is best highlighted in the report from the Standing Senate Committee on Aboriginal Peoples, chaired by Senator White. The committee was tasked with examining Division 8 of Part 4, which dealt with amendments to the Indian Act. In the committee's report back to the National Finance Committee the chair wrote the following:

The committee heard from all witnesses, however, that Aboriginal Affairs and Northern Development Canada had not consulted or engaged with potentially affected First Nations people prior to the introduction of these amendments, even though a joint process with the Assembly of First Nations is in place to discuss these and related issues. The committee further notes with extreme concern that the Minister of Aboriginal Affairs and Northern Development sent a letter informing First Nation Chiefs and Councils of these amendments only

after the bill had been introduced. This, in the opinion of your committee, is insulting to First Nations and is unacceptable. The committee is very concerned that the manner in which these amendments were introduced represents a missed opportunity to meaningfully engage with First Nations people and to achieve consensus on an issue of importance to all First Nations with reserve lands governed by the *Indian Act*.

• (1910)

Honourable senators, this is a very troubling declaration. We also heard similar complaints in the report submitted by the Standing Committee on Energy and the Environment. That report states:

A number of witnesses commented on the lack of consultation prior to the introduction of the amendments in Bill C-45.

It goes on to say:

The World Wildlife Fund-Canada, Ecojustice and the West Coast Environmental Law Association also commented on the lack of meaningful stakeholder and public consultation and limited transparency in decision-making prior to the introduction of Bill C-45.

Honourable senators, this legislation abuses democracy and erodes our ability as parliamentarians to adequately examine, debate and amend legislation. The majority of its content makes changes that I simply cannot support. It is a shame that this government has decided to cram so many changes into one bill, because the positive aspects of this bill have simply become overshadowed by the short-sighted and ill-advised amendments that make up the vast majority of Bill C-45.

For those reasons, honourable senators, I will be voting against Bill C-45.

[Translation]

Hon. Maria Chaput: Honourable senators, I would also like to speak briefly to Bill C-45.

Bill C-45 is another omnibus bill with 414 pages and 516 clauses that the government wants to pass quickly without amendment.

Why is the government once again using a budget bill to rush legislation through Parliament?

Why include in a budget bill radical changes it wants to make to a host of areas, such as scientific research, food safety and lakes?

Usually an omnibus bill contains only budgetary measures and perhaps some legislative measures to correct previous measures. These have to be passed quickly in order to prevent implementation problems.

That is not the case with Bill C-45. For example, the bill includes dozens of pages on the Canada Grain Act. That piece of legislation should have been studied separately. We could have

heard from expert witnesses and discussed with them the impact of this change on our farmers. Some are in favour of this change and some are not, but they all have the right to be heard.

This approach does not respect the usual democratic process of a Parliament, which involves consulting those who are affected.

Bill C-45 contains some aspects that I would like to be able to support, such as the disability savings plan, which is a very good initiative. But the government is taking an all-or-nothing approach. I must admit that I am worried about the impact that this bill will have.

I will provide just two examples among many. The first is the negative impact that Bill C-45 will have on scientific research by eliminating tax credits for scientific equipment. If we do not support technology, then certain sectors will be penalized because the equipment is very expensive. Smaller establishments will not be able to afford the equipment they need, and their productivity will go down, which might result in layoffs and job losses. There will be less scientific research at a time when we need more.

The second example has to do with Aboriginals. There are provisions that make changes to Aboriginal fisheries without any prior consultations with the Aboriginal communities affected. The government chose to ignore its obligation to consult Aboriginals, as required by the Constitution, before proceeding with changes that impact them.

These are only a few examples, honourable senators. The parts of Bill C-45 that I would have liked to support should have been introduced separately. But that is not what the government chose to do. It preferred not to listen.

For all these reasons and many others, I am not able to support Bill C-45.

[English]

Hon. Terry M. Mercer: Honourable senators, every year around this time I rise in my place to deplore the actions of the government when it comes to rushing through legislation. Every year for quite a long time we are stuck dealing with legislation that the government says must pass before we adjourn for the holidays.

Well, honourable senators, here we go again.

Some Hon. Senators: Hear, hear.

Senator Mercer: I would like to take this opportunity to comment briefly on the clauses of the bill that the Standing Senate Committee on Agriculture and Forestry dealt with in a pre-study. However, before I do that, I want to talk about the fact that I anticipate that honourable senators opposite who will take their time as they think about it overnight, as they have listened to the debates, will remember their responsibilities as members of this place — that this is a chamber of sober second thought; this is the chamber where the shackles of political parties and the shackles of whips are not historically put on us.

I particularly anticipate the vote on this bill by my colleague from Nova Scotia, Senator Oliver, who has a long history of criticizing omnibus bills. He has talked about them being massive

and he has talked about them being not proper, so this is an opportunity. Senator Oliver only has a little under a year left here. This is an opportunity to strike out a blow for the rest of our fellow Nova Scotians and to vote with the people of Nova Scotia against this legislation and against this style of legislation so that his colleagues in his own caucus and in his own government understand that this is not right. It was not right when we did it in government, and it is not right when the Conservatives do it today.

This is an opportunity, and I am anticipating Senator Oliver's vote and will be watching him very closely.

Honourable senators, if you look at this legislation — it is always difficult to remember; it is 414 pages with 500 clauses.

Senator Mitchell: How many pages?

Senator Mercer: It is 414 pages. Do honourable senators know how long it took Senator Day to read those 414 pages? You ruined an entire weekend for Senator Day. I know his wife quite well; she was not happy about it. He gets home on a Friday afternoon, and he has to sit there and read 414 pages of this legislation.

Honourable senators, if you look at the bill in detail, as my colleague Senator Callbeck said, there is lots of stuff in this bill that I might have voted for if it was put to this chamber as separate pieces of legislation. Indeed, when I do get back to my subject of talking about the Agriculture Committee and the debate on the Canada Grain Act, some good things were discussed.

Just think about this: We are supposed to be building coalitions within this chamber. We are supposed to be doing good things on behalf of the people we represent. We are supposed to be doing it, but we cannot because someone has decided to make it impossible for me as a representative for Nova Scotia to vote in favour of the parts of this legislation that I think are good. I cannot do it because it is all wrapped up in something I cannot support. It is the great attitude of "let us put a poison pill in everything; let us make it difficult so that everyone will be frustrated."

When I sit here in my second row seat and look over there and I watch the debate coming back, I do not necessarily look at the leadership. I look at the other honourable senators, and especially those who have been here for a while. I do not notice a lot of enthusiasm over there for this legislation. Senator Ogilvie has only been here for a little while and he is enthusiastic about everything.

• (1920)

Senator Mitchell: Except having MS patients testify.

Senator Mercer: Except having MS patients testify before the committee, I understand.

It is important that we think about what our role is here. Our role is to represent our region. Whether it be the province of Quebec, the Maritimes, Western Canada or in Ontario, a senator's job is to represent their region, and they cannot do it. The government has put the shackles on honourable senators by

wrapping up a piece of legislation that is so cumbersome — 414 pages containing 516 clauses that amend 60 different statutes — that it makes it almost impossible for us to do our job. I am frustrated by this because I am a guy who comes to work in the morning wanting to do an honest day's work and earn my money, but it is really difficult to do that around here when the shackles are put on us by this bad legislation.

I want to talk about the bill as it relates to the Agriculture and Forestry Committee.

Last week, Senator Mockler and I appeared before the Finance Committee, chaired by Senator Day, to comment on the bill. Between November 1 and 22, 2012, the committee held three meetings, about seven hours in total, on this bill concerning the Canadian Grain Commission. We were told that the intent of the legislation would be modernization of the Canada Grain Act. Some concerns were raised by witnesses that this section of the omnibus legislation did not go far enough, but in general, views were positive. This was not a bad deal for the government.

As I stated before the committee, I have some grave concerns, especially concerning the bonding issue and insurance. For those honourable senators who have not been paying attention, they are removing the bonding requirement and replacing it with insurance. What I feel is missing is that it is not defined whether it would be mandatory for people to carry the new insurance aspect of the Canada Grain Act as opposed to the mandatory bonding that was there before.

One might ask what difference that makes. A witness from Western Canada appeared before the committee, and we asked him specifically about this. He told us about the case of a farmer who had some grain and he was having difficulty moving it to market. He said that he knew a company in Lethbridge that could probably handle the grain. The guy called the fellow up, and he said yes, indeed, he would take the grain. The fellow shipped his grain to Lethbridge and the deal was done. However, between then and the time he was to be paid, the company in Lethbridge went broke. That is not good news for a farmer. The bond kicked in and the guy was paid, which meant the system worked.

Under the new system, there is no guarantee that the company the farmer sells his grain to will have the insurance to cover it. It is increasing the risk to farmers.

Farming is a risky business anyway. I think farmers are the greatest entrepreneurs in the country. Every spring they take all of their capital and put it into the ground. They hope that it will rain enough, that the sun will shine enough, that the frost will not come too soon, and that at the end of the day they will produce the food we all eat. These are terrific people. No group of Canadians works harder than farmers, except perhaps fishermen alongside them.

Senator Mitchell: There are no fish.

Senator Mercer: That is another story. Does the honourable senator want me to talk about fish, too? I can do that.

An Hon. Senator: No, no!

Senator Mercer: Honourable senators would have to allow me to speak in someone else's place when I get on my fish stories.

My main point against an omnibus bill like this is that when we talk about the Grain Commission, we cannot delve into the section of the bill as much as we could have if it was a separate piece of legislation. We could be producing a very good piece of legislation dealing with the Grain Commission if it was a stand-alone piece. However, since it is wrapped up in the omnibus bill, we cannot get at it and do the things that so many people said would make it go a little further. They have wrapped it up in a budget bill and amendments are difficult to do, and of course the heavy whip of the Harper government is on my colleagues across the aisle.

Senator Mitchell: Even on Senator Brown?

Senator Mercer: Even on Senator Brown, who claims that because he is elected he can do whatever he wants. Anything he wants seems to be anything that Stephen Harper wants. That is the way it seems to work.

Stand-alone legislation would have allowed us to look at entirely new aspects in the grain industry that we need to look at. Senator Mockler said it is definitely time for modernization, but at what cost and at whose expense when it is contained in such a huge bill? We need to ask ourselves if what we are passing here today is right. In the Finance Committee, I questioned the minister about the number of people who would lose their jobs because of the changes in this bill. Guess what? He could not tell me.

If I were a minister of the Crown and making changes that would affect the employ of some people in this country, I would want to know how many people would be affected. Who are these people and will we be able to find a way to help them? Will there be a transition? Can we find them jobs in the public service? That is what I would do as a good employer, but the Minister of Agriculture and Agri-Food had no idea. He has not had many good ideas lately anyway. Is that not telling us that because the bill does so many things to so many different departments and agencies that changes should be dealt with in a separate piece of legislation so we can safely say that we have given these changes due diligence and study?

Honourable senators, we are passing a piece of legislation that will cause some Canadians to lose their jobs. Once we pass this legislation and this government enacts it, some people involved at the Grain Commission will lose their jobs. What a nice Christmas present: Merry Christmas from Minister Ritz, Stephen Harper and Jim Flaherty.

Honourable senators, he did not even know how many people and he should have known that. Senator Plett should have known that as well.

Many changes were lumped together into this budget bill. It should have been on a stand-alone basis for so many sections. We could have done so much better. Here we are; we could have done better.

I do not know about other honourable senators, but I am not happy doing mediocre work and what we are doing here is mediocre work. We should not only be the chamber of sober second thought; we should be the chamber of excellence. We have a history of being the chamber that continues to improve legislation. I should say that historically we had the reputation of being the chamber that improved legislation. That has all changed because whatever the Langevin Block says now, that goes. There are no changes except, as my friend Senator Dallaire pointed out earlier today, that this omnibus bill is repairing the mistakes we made in the spring.

Guess what? We will be back in the spring repairing the mistakes we made in this bill. Why do we not get it right the first time? Why would we say to Canadians that we are stumbling around, going back and forth? We made mistakes in the spring. We will make mistakes in the fall. Why do we not just say, "Hold it," and break it up into nice little parcels so we can talk about it, put our expertise to work and create very good legislation, good government and good governance for Canadians?

Senator Day: Bravo. I agree with that.

Senator Mercer: Honourable senators, I am quite tired of rubber stamping legislation and the secretive nature of this government. I am quite tired of being blamed for holding up legislation that deserves proper study. I will be voting against this legislation simply because it is wrong. The right thing to do is vote against this legislation.

Senator Dallaire: Would the senator accept a question? I am returning a favour.

• (1930)

Senator Mercer: Yes, please do.

Senator Dallaire: What if we look at this concept of omnibus bills and actually study it as a new concept separate from budget bills? Would it not be an interesting concept to save time and energy, and so on, to actually put a bunch of other bills together, separate from this, and simply roller-coaster them through as we are doing with this bill? It seems that the concept behind this is the bulldozing of the legislative side by the executive branch of our system of government. This is cabinet, led by the Prime Minister, bulldozing, under the ground in the snow, the legislative side of our system of governance. Would the honourable senator not agree that that is what is happening right now?

Senator Mercer: I call it drive-by legislation. It is drive-by legislation, and it is — if I could have five more minutes.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Senator Mercer: The honourable senator is absolutely right. It is bully tactics. They bully us.

There is nothing more important that we do here than to address the budget of the people, which helps set taxes so that Canadians know how much they will contribute to the well-being of the country and what we, collectively as government, will do for them. Nothing is more important than that.

Now, with this piece of legislation and with previous omnibus bills, everybody is confused. I do not know how Senator Day, when he went through 414 pages, could find the actual budget stuff that is supposed to be in the bill.

Senator Day: Senator Buth helped me.

Senator Mercer: Senator Buth is a very competent person. I have a lot of respect for Senator Buth and the work she has done in the canola industry. She is a valuable asset to the Agriculture and Forestry Committee. However, even Senator Buth would have had a hard time finding —

Senator Day: She did.

Senator Mercer: — all the stuff in here. As smart and as good a person as she is, she would have a hard time finding the information that we need to make decisions on how much taxes Canadians will pay and how much money we will spend and on what projects. It is quite embarrassing. I think Canadians are starting to understand that, and Canadians are getting embarrassed about it. Their faces are getting redder and redder as time goes on. On election day, I think they will remember.

Some Hon. Senators: Hear, hear.

Senator Mitchell: Speaking to third reading on this bill, I have had some time to think about this government as the debate has raged on. It is time we had some serious debate in here.

I started to ask myself some questions about this government and to try to find — order; come on. I started to ask myself some questions that captured the essential elements of this government, and then to analyze them to try to find what the central theme was that would answer each of these questions in a comprehensive way.

The first question I asked is this: Why is it that this government provides no national leadership? I have discussed today and at other times how lacking it is on a national energy strategy. There is no national climate strategy, no national suicide prevention strategy, no national economic strategy.

Just as an aside, there is a great irony that this government claims that it has provided great economic leadership.

Then I ask: What have they done? They will say they cut taxes. Then I will say, well, why is it that that would have contributed in any way to economic stimulus when the minister himself is frequently out in the public beseeching companies in Canada — criticizing them, actually, for not investing all this money they have saved and that they are hoarding from cut taxes in creating jobs. The tax cuts have not created jobs. That the minister's only initiative is to keep begging companies to invest this money is evidence in and of itself that all that has happened is that their balance sheets are great. They saved a lot of money from not having to pay taxes. They have cut taxes, but that has not worked. They have not touched the banks, thank God, because the banks are an element of strength. They did not do that. In fact, they would have hurt the banks. They have not reduced consumer debt because consumer debt is significantly high and dangerously

high — Mr. Carney will tell us that; the Minister of Finance himself will tell us that — so they have not cut consumer debt. They have not cut government debt — no. They have increased government debt — pick a number — \$150 billion. The Conservatives have not balanced an unbalanced budget since 1912; they did not balance a budget in the 20th century; and they have barely balanced a budget in the 21st century. They have not reduced government debt, which would be a strong economic initiative. They have not enhanced the balance of trade. In fact, the balance of trade has now gone negative. There are 1.4 million Canadian unemployed, and growth is on for less than 1 per cent, maybe 0.6 per cent this year, which is 20 per cent of growth expected in the U.S. economy. Here is a government that says it is providing economic leadership, but what has it done? Not on a single parameter of economic leadership, of economic stimulus, of economic policy can you say they have done anything.

Why is it this government does not provide national leadership? That was my first question. My second question is this: Why is it that this government cannot balance budgets?

I read an interesting article after the minor, minor, minor cabinet shuffle — I do not know when it was, this summer or last summer — and I remember this fawning reporter writing about how Mr. Harper did not change his cabinet because he had his team in place that he really believes in. One of the examples was he said he was really happy with Mr. Flaherty because everybody knows that Mr. Flaherty is going to balance the budget. No he is not. Mr. Flaherty will never balance the budget. You heard it here first: He is never going to balance the budget. As soon as interest rates start going up, each 1 per cent will be \$6 billion, \$7 billion, \$8 billion, \$10 billion. He will not balance the budget. Conservative ideology will not allow him, ultimately, to do it. That is the second question.

The third question is this: Why is it, in the process of what they are doing, that this government so disregards democracy? We had that debate earlier in the debate about the omnibus bill. Why is it that they so disregard democracy?

The next question: Why is it that they see so many Canadians as enemies? Why are they against so many Canadians? Why are they against environmental NGOs? Why are they against religious charities? Why are they against any number of charities? Why is that? Why do they find themselves arrayed against Canadians in so many different ways? Why is it that they do not want to hear from MS patients? Why is it that they will not undertake their responsibility to talk with Aboriginal peoples? Why is it that the premiers of the provinces and the territories are somehow out there and against them? Why is it?

These are the questions: Why do they not provide national leadership? Why can they not balance a budget? Why do they so disregard democracy, and why are so many Canadians seen by them to somehow be external and, in some senses, an enemy?

Of course, there is a single answer to this — the theory of everything, if you will — an answer that comes down to real leadership. One of the fundamental components of great leadership — read about it and they will tell you — is that great leaders focus on an objective. The trick is to pick the right objective. The problem with this government is that its objective is

to cut government. They hate government, so their objective is to cut government. That might be a perfectly fine objective in one sense, if it could be shown that cutting government actually achieved the objective that a good government would want achieve, and that would be to make Canada better and to make life better for Canadians. The problem is that if you pick the wrong objective and focus on the wrong one, and if leadership, such as it is on the other side, focuses on the wrong objective, you will get to the wrong place. That is exactly what is happening here. Your single objective is to cut government. That has overwhelmed the government's view of the world, I believe that; I really do. It is like Churchill saying, "My objective is to cut government." He would not have won the war. His objective was to win the war. The objective of government is to make Canada better and to make life better for Canadians.

• (1940)

I have said it before, and I will say it again: If the president of Toyota hated cars, what kind of company would Toyota be? If the Prime Minister of Canada hates government and focuses on almost nothing other than cutting it, what kind of government will we get? You know what kind of government we will get? The one that we see right now.

With that observation in mind, let us start to think about why it is that this government does not provide national leadership. National leadership would require a greater reach, in some senses, of federal government. They cannot cut provincial reach, so they simply cut federal reach. One thing to do with that is to do nothing. Do not talk to the provinces about how they might work out better health care. Do not talk to the provinces about a national energy strategy. Do not talk to the provinces about a national economic strategy because that would extend the reach of government. Extending the reach of government, in that way, would achieve the real objective — a better Canada, a stronger economy, fewer unemployed, better competitiveness, international diversification of our oil and gas markets. I can go on. Those objectives, which clearly would make Canada better, are not necessarily served by an ideological obsession with simply cutting government for the sake of cutting it. That is why we do not get national leadership. That answers the first question.

The second question is this: Why can they not balance a budget? Because they hate government. They do not know how to manage it. They do not listen to their public servants, who, in fact, are not their enemies. That would be another class that I think they sometimes see as enemies. Their public servants would give them good advice, tell them what to do and allow them to set the priorities that will make things work and to cut the things that do not work. That is what happened in the 1990s, and that is why we had nine consecutive surplus budgets. If you hate government, you do not know how to manage it. That is why you will never balance a budget.

Why do they so disregard democracy?

You will never balance a budget. Senator Plett, that government will never balance a budget, unless they lie about it like they did in Ontario.

Why do they disregard democracy so? Yes, Parliament and democracy and all of those processes that protect our rights are cumbersome, but democracies that are successful cannot have

precipitous change. It does not work. You have cumbersome, difficult things that you have to work through. You have give and take and the adversarial process because, if you ever allow it to happen, you actually get better ideas and solutions. If you hate government, you hate that stuff. You do not understand that, if it is seen as an inconvenience. At least it is a necessary inconvenience for stronger policy, for achieving that objective that should be your objective — a better Canada, a better quality of life for Canadians and for our children. That is the answer to the third question.

The fourth question: Why is it that this government is arrayed against so many Canadians? Canadians need government sometimes. Environmentalists need to have some government leadership to fix climate change. Of course, they are your enemy because you want less government. Religious charities have a right to participate in debates about things. I disagree with them sometimes, but they have a right to participate. However, you get that kind of debate going on, and it is cumbersome and means more government so that you array yourself against them. Patients might just tell you that there is a way to solve the MS issue and that there are some things that you could do, but that would require a greater federal reach into what you see as a provincial jurisdiction, though it is a shared jurisdiction, in fact. You do not do it.

There is a single answer to those four questions. There are also many other questions that could be brought into that.

You have an ideological obsession with cutting government, and you have been pulled off of the real objective, which sometimes might be served by less government but generally might not be. Certain things, like national leadership, are not served by less government, or, at least, not by less leadership. It is not expensive to have the Prime Minister meet with the premiers, is it? That does not take a lot of government, but it takes more government than you can stomach.

In my more moderate and generous moments towards the government, I will say that it is not necessarily incompetent all the time. However, I do believe that it has an incompetent ideology that, at the very least, it implements very competently. It has an incompetent ideology. Where has the right-wing, hard-nosed ideology ever worked to make a society in this world better? Where? Just give me an example. It did not work in Britain. It did not work in Germany. It is not working in the United States. It did not work with George Bush, and it did not work for Mitt Romney. In fact, when Romney was a successful governor, he was governing from the centre, as a liberal. Just tell me where it is that the right-wing ideology works. It is an incompetent ideology. It does not work. I may be willing to say that you are competent to implement it, but that is about where it ends. The results are the same.

There are these questions that can only be answered, or at least partly answered, by this one answer, which is that you hate government. You do not know how to manage it. You want to cut it, and you have lost the real objective, which is making this country better for Canadians. That is our objective, and I do not see any of that being fulfilled in this bill. That is another reason why I am not voting for it.

Hon. Jim Munson: Would the honourable senator take a question? I think there is a fifth question that you did not address, and it is about our international face. You talked about national leadership. Perhaps you could talk about a country that seems now to be taking sides, as opposed to being not only an observer but also a middle power in dealing with international issues. I would like to get your point of view on Canada's role in the world and international leadership. We seem to be missing in action.

Senator Day: Fifteen more minutes.

Senator Mitchell: We are certainly missing in action internationally. A corollary to my theory is that they want to win. They are also driven by politics. Therefore, their foreign policy actually becomes just a way to message back to Canada. Because they do not get how a government needs to work and to relate to other governments, they lost the Security Council seat. They lost it. Imagine what we could do and what influence we could have in the world if we had won that Security Council seat. When it comes to Israel — and we all want to support Israel — imagine how we could really support Israel if we had a Security Council seat. We lost the Security Council seat because this government does not understand how to relate, as a government, in a foreign policy way, to create relationships that would strengthen their ability to work in the world and have influence.

Hon. Jane Cordy: You spoke about the federal government wanting to hand all of the responsibility for health care to the provinces and territories. I agree absolutely with what you have said, and I think you spoke about their giving up the responsibility. Did the honourable senator know that the federal government is actually the fifth largest provider of health care in the country?

Perhaps you could ask for five more minutes.

Some Hon. Senators: Five minutes.

Senator Cordy: They are actually the fifth largest provider of health care, so even if they want to abdicate their responsibilities, which is what they have done to the provinces and territories, would you not think that they should show strong federal leadership for the groups for whom they are responsible — the veterans, the RCMP, the inmates and the Aboriginal peoples, who are living in horrendous conditions? We know that the minister has recently provided that we have generic OxyContin, despite the fact that the leaders within the Aboriginal community have said, "Please at least delay it until we can do research." Do you believe that the federal government has a responsibility to show true leadership in health care in this country?

Senator Mitchell: Yes, as a matter of fact, I do. There are a number of reasons why the federal government has a role. Certainly, the fifth largest health care responsibility in the country would speak for itself. I wonder how many people who are under the rubric of federal health care responsibility actually have multiple sclerosis. Why would the government not take a lead role in wanting to do that special study?

• (1950)

There is also the fact that the government has spending power and it is giving money away, but can you imagine just giving money away without attaching some sense of national standard?

Here is another example of the great leadership provided by the Liberals under Mr. Martin, who negotiated in a collaborative manner with all the provinces and the territories — 13 leaders — to come up with a health care program for 10 years. Mr. Martin established standards. That is real leadership.

Yesterday, we met with a psychiatrist, Stan Kutcher, from Nova Scotia, who has done a great deal of work on youth mental health programs. The research is remarkable. Now we are finding that you can identify certain behaviour patterns in youth and, if we intervene with the skills we have now, we can prevent future problems with these youth.

Some Hon. Senators: Oh, oh!

Senator Mitchell: I know senators opposite do not want to hear this, but they want leadership; that is what they want to hear. You should be listening to them over there and tell them. Do not yell at me, yell at them. Go talk to your Prime Minister and ask if he can provide this country with some leadership.

Stan Kutcher makes the point that none of the health care providers in the country are actually using these techniques and that there is a role for the federal government to play. The federal government has an interest in ensuring that youth do not get on the wrong track and it has an interest in preventing future problems. They could intervene and do so in a federal capacity for a federal responsibility, but they do not do it.

That, again, underlines my point that there is no leadership and it is because they simply think someone else should do it.

Senator Cordy: The honourable senator also talked about lack of national strategies. There have been great things said by Stan Kutcher. I have spoken to him on many occasions. There are great things happening around the country and Stan, of course, would be particularly competent and knowledgeable about things happening in mental health and mental illness.

Has the honourable senator noticed that there seems to be a great lack of national strategies on just about everything, but particularly national strategies related to health care?

Senator Mitchell: Yes, absolutely. In fact, I remember when one of Mr. Harper's five initiatives in the election was to shorten waiting times. He went across Canada and gave out money. He actually gave money to help shorten waiting times to provinces that already had met that standard. Again, it was an abdication. It was not a sense of responsibility.

Honourable senators, if you have a responsibility, then you should live up to that responsibility. I think the responsibility has fundamentally been dropped. If Canada does not have a national health care standard, which is part of our DNA and part of what we believe we are, then the government has abdicated. The Prime Minister has given money away. He has not worried about results, has not measured results, and you cannot manage if you do not measure. We could do so much better in health care, and in so many different ways, if the Prime Minister would understand that he has a responsibility to lead and if he would just lead. How hard is that to do?

Senator Munson: Does the honourable senator think we have reached the point where he thinks the government is on the verge of cancelling Christmas?

Some Hon. Senators: Oh, Oh!

[Translation]

Hon. Jean-Claude Rivest: Honourable senators, I would like to say a few words about the democratic nature of our parliamentary institutions.

Senators on the government side truly believe that they have taken a democratic approach with this bill. We have a majority government and, in a democracy, a majority government makes decisions on behalf of the people. The objective is democratic rule, and not necessarily parliamentary approval, but voter approval. If the government does not conduct itself satisfactorily, it will be punished by voters. A majority government can make decisions as it pleases. The problem is that there is more to democracy than that.

Democracy is not just about voter approval. It is the constant interplay of governments and institutions, the parliamentary institutions. That is why the practice of introducing “omnibus” bills does not completely negate the democratic process. However, it does weaken and seriously compromise the viability and credibility of our institutions.

Some senators opposite said that they support certain aspects of the bill, but not others. One cannot vote in favour of some aspects and against others. There is just one vote.

According to the traditional parliamentary process, when the government introduces a bill on family benefits, or old age pensions, or the environment or radio and television institutions, the subject is studied and then placed before parliamentarians, who vote on it. Parliamentarians focus on one thing at a time.

As we clearly saw from the debate, in the case of an omnibus bill, parliamentarians speak about the different aspects of the bill, to the extent that the debate is fractured. With regard to actual budget items, after this experience the government must pause to reflect and realize that budget bills should be about the budget, revenues, expenditures and taxation. This is a budget bill. All other matters are part of the parliamentary process. We cannot consider everything at the same time, and this was pointed out very forcefully.

This debate should encourage us to reflect on the permanent nature of democracy. This is not just about assent or parliamentary procedure; it is also about public opinion. Parliaments have to vote on budgets and pass bills. A vote has to take place eventually. Debate time has been reduced, but why do parliamentary procedures sometimes slow down the process if not to allow Parliament to put one issue at a time before the public, not 50 at a time as with omnibus bills? Issues should be examined in such a way that the public can follow what the government is doing and understand all the ins and outs of the bill. When we bulldoze through the process and agree to something like this, it confuses people. They cannot follow or understand what is happening, nor can they participate in what parliamentarians are doing.

In his time allocation motion, the Deputy Leader of the Government correctly pointed out that the committees have dedicated hundreds of hours to hearing from many witnesses; however, it seems that the net result of all the consultations with witnesses and experts and all that work in committee is that the government did not accept any amendments. I suppose all of those people must have supported every one of the government's provisions. Out of respect for democracy and our institutions, there needs to be a minimum degree of openness throughout the committee process. Their ideology is not the only problem. Some very questionable political choices were made during the process, and we did not see any openness.

The government has a majority and so, democratically speaking, it is justified in making the choices it made and proceeding in the way that it did. However, as we have often pointed out, the Senate's reason for being is to ensure that bills are passed correctly. We could set aside our partisan attitudes, as we have so often done, and consider the substance of the bill.

• (2000)

Given the conditions we are all working in, I do not think the government's approach serves democracy in Canada. In fact, this is not the first time the government has gone down this road.

I think that regardless of our political stripes, we should all reflect on our role as public servants. Democracy is more than just the principle that the majority rules. Democracy must also accommodate public opinion. That is the purpose of our parliamentary institutions.

The government's approach does not seem to take democracy into account, but by the same token it is not absolutely dictatorial either. I think this approach does not respect the value and integrity of our democratic institutions.

That is why I cannot be part of this exercise and I cannot support Bill C-45.

[English]

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

Senator Carignan: Question.

The Hon. the Speaker: It was moved by the Honourable Senator Buth, seconded by the Honourable Senator Unger, that Bill C-45, A second Act to implement certain provisions of the budget tabled in Parliament on March 29, 2012, and other measures, be read a third time. Those in favour of the motion, will signify by saying “yea.”

Some Hon. Senators: Yea.

The Hon. the Speaker: Those opposed to the motion, will signify by saying “nay.”

Some Hon. Senators: Nay.

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

And two honourable senators having risen:

The Hon. the Speaker: Pursuant to the *Rules of the Senate*, the recorded vote will occur at 5:30 p.m. Friday, December 14, 2012.

Senator Munson: Yes, that is the rule.

[Translation]

Hon. Claude Carignan (Deputy Leader of the Government): Mr. Speaker, after consultation with the opposition leadership, we have agreed that the vote will be held tomorrow at 10:30 a.m. with a 15-minute bell that will ring at 10:15 a.m. I also obtained consent from Senator Cools and independent senators.

[English]

The Hon. the Speaker: Is it agreed, honourable senators, that the bells will ring tomorrow at 10:15 a.m. with a recorded vote at 10:30 a.m.?

Hon. Senators: Agreed.

[Translation]

EIGHTH REPORT OF BANKING, TRADE AND
COMMERCE COMMITTEE; SEVENTH REPORT
OF TRANSPORT AND COMMUNICATIONS
COMMITTEE; TENTH REPORT OF ABORIGINAL
PEOPLES COMMITTEE; FIFTH REPORT OF ENERGY,
THE ENVIRONMENT AND NATURAL RESOURCES
COMMITTEE; AND EIGHTH REPORT
OF AGRICULTURE AND FORESTRY COMMITTEE
ON SUBJECT MATTER—ORDERS WITHDRAWN

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, I would like to withdraw reports, since it is no longer relevant to study these reports, as they are related to Bill C-45. I therefore ask to withdraw Items Nos. 1 to 5 under Reports of Committees.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

(On motion of Senator Carignan, orders withdrawn.)

[English]

FEDERAL FRAMEWORK FOR SUICIDE PREVENTION BILL

THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Ataullahjan, seconded by the Honourable Senator Meredith, for the third reading of Bill C-300, An Act respecting a Federal Framework for Suicide Prevention.

Hon. Kelvin Kenneth Ogilvie: Honourable senators, I would like to speak to this bill this evening with the understanding that the adjournment remain in the name of the Honourable Senator Cordy.

Hon. Senators: Agreed.

Senator Ogilvie: Honourable senators, in life, things happen. It is not that things happen that is the issue that defines us; it is how we deal with them that counts. I would like to give honourable senators an example.

In another issue we dealt with this week, the steering committee of the Standing Senate Committee on Social Affairs, Science and Technology committee worked together in complete harmony in a non-partisan manner.

An Hon. Senator: Oh, oh.

Senator Ogilvie: There appears to be some confusion over what I said, honourable senators, so I will repeat it.

The steering committee worked in complete harmony in a non-partisan manner and agreed without argument or division on what we thought we had heard. Nevertheless, that still appeared to lead to some disappointment for some, as we heard yesterday.

My point is that things happen. I would like to turn to the meeting of the Social Committee and its review of Bill C-300. Following the hearing of witness testimony and unanimous approval of the bill and its clauses, discussion occurred about possible observations. A motion was put forward to append observations to the bill, but the motion was defeated.

Senator Moore: Things happen.

Senator Ogilvie: At that precise moment, I determined —

Senator Munson: Yes, you.

Senator Ogilvie: At that precise moment, I determined that I would write to the Minister of Health on my own to outline the key elements of what I thought we had heard.

Bill C-300 sets out a framework for suicide prevention in Canada. While our time to review this bill was short, I felt that we had heard a remarkable outline of the breadth and depth of this issue. We heard unanimous support for the bill as an important first step, but we also heard that Canada needs a national strategy to effectively deal with assisting those contemplating or affected by suicide.

As I said a moment ago, the motion to append observations was defeated. At that moment, I decided to write to the Minister of Health with my thoughts. In the interests of transparency, I want to make it clear to this chamber that I did not discuss either my intention or the content of my letter with anyone. I tell honourable senators that because it undermines a favourite refrain I hear from some of my colleagues opposite with regard to those of us on this side.

Early this morning, I sought the leave of my party to speak to this bill before the Senate rises and I received full support. I would like to read into the record my letter to the Honourable Leona Aglukkaq, Minister of Health, dated December 11, 2012:

Dear Minister:

RE: Bill C-300, An Act respecting a Federal Framework for Suicide Prevention

I write to you as Chair of the Standing Senate Committee on Social Affairs, Science and Technology following its study of Bill C-300 and its recommendations to the Senate that the Bill be approved. While the Committee voted not to formally include observations in its report to the Senate, I wish to strongly urge your consideration of the following:

1. The Committee and witnesses congratulated Mr. Albrecht for his Bill and noted its importance to Canadians. It is very clear that the framework elements identified in the Bill can serve to inform the development of a national strategy in suicide prevention for Canada. The committee heard of the urgent need for a formal strategy, the broad support for such a strategy, and the number of countries with a strategy that could further inform a strategy for Canada.
2. I urge that you bring this Bill into force in the briefest possible delay following Royal Assent.
3. I strongly suggest that the transcripts of the committee's hearings on December 10, 2012, be used to inform the development of the framework envisioned by Bill C-300.

In that regard, it is important to recognize that there are subgroups within the Canadian population with suicide rates well above the national average. Special consideration must be paid to these groups in developing a national framework and strategy.

There is such broad support for Bill C-300 that I urge you to provide updates on the progress toward development of the framework as soon and as regularly as possible following bringing this Bill into force.

In conclusion, I sense that there is a broad support in Canada for the development of a national strategy on suicide. Bill C-300 is a very important step in that direction and needs to be used to inform such a strategy.

Sincerely,

• (2010)

Honourable senators, I understand that this time of year, in virtually all countries, has one of the highest suicide rates of the entire year. I invite all honourable senators to join with me in giving a small ray of hope to those so void of any hope that they contemplate the finality of suicide. Let us elevate our role as

parliamentarians and act together in the interests of all Canadians and pass this bill before we rise. I remind you again, it is not that imperfect things happen that measures us; it is how we deal with them.

In thanking you for your patience, honourable senators, I would like to seek leave to table this letter in both official languages.

The Hon. the Speaker *pro tempore*: Honourable senators, is leave granted to table the letter in both official languages?

Hon. Senators: Agreed.

Hon. Jim Munson: Will the honourable senator accept a question?

Senator Ogilvie: Certainly.

Senator Munson: Honourable senator, in committee Senator Duffy described our observations as too many ornaments on a tree. It is Christmastime, and there are never enough ornaments on a tree at this time.

I wish to ask the chair, where is the “we” in “I” as a committee? Observations have never held up a report like this. Of course we support Harold Albrecht, who was very supportive of my autism bill in the House of Commons, but there is just too much “I-ism” going on. I am very gratified that Senator Ogilvie wrote to the minister about all of this, but due to the platitudes and the way in which he operates, at some point in the Social Affairs Committee there has to be a “we” in the “I.”

Senator Ogilvie: Honourable senators, I find it difficult to find a true question in there. It was more a statement of the senator's opinions.

I believe the Standing Senate Committee on Social Affairs, Science and Technology operates well and probably has for its long history. Senators on any committee have the right to vote as they see fit on any matter. That is entirely within the bounds of the normal operation of any committee.

Hon. Jane Cordy: Honourable senators, I would like to begin by thanking Member of Parliament Harold Albrecht for bringing forward Bill C-300, An Act respecting a Federal Framework for Suicide Prevention. It is clear from his testimony before our committee that he is very sincere in working to prevent suicide in Canada.

We know that there are more than 4,000 deaths by suicide in Canada every year and over 400,000 attempts each year. These numbers are astounding. As Mr. Albrecht stated at the committee:

We know that suicide is a public health issue but we have developed no best practices to treat it as such.

We know that there have been efforts previously by parliamentarians to work together in a non-partisan way on this issue. In October of 2011, the Liberal opposition day in the

House of Commons was used to debate the issue of suicide prevention. Bob Rae's national suicide prevention strategy motion was unanimously passed in the other place.

Bill C-300 stops short of calling for a national suicide prevention strategy; instead, it proposes a national framework. Honourable senators, there is a difference. A framework is an excellent first step, but it is not a strategy. The United Nations and the World Health Organization recognize suicide as a major health problem. They have developed guidelines and have asked countries to establish national suicide prevention strategies and national coordinating bodies. All developed countries, with the exception of Canada, have endorsed these international guidelines from the United Nations and the World Health Organization.

This bill is a very good first step. Let us hope that the government will use this framework to develop a Canadian national strategy for suicide prevention. Let us have strong federal leadership in health care to develop a strategy to continue what is a good first step with Mr. Albrecht's bill.

When the bill was studied at committee, Senator Eggleton attempted to bring an observation to be attached to the committee's report on the bill. His suggestion was:

That the government be requested to bring the bill into force within a few days of Royal Assent.

This observation was suggested to ensure that action to implement the bill would begin immediately following Royal Assent. He was trying to hurry the process along. I believe that this was a very positive suggestion.

His second suggested observation was:

In relation to clause 4, efforts be made to report progress to both houses of Parliament before the four-year time frame is reached.

Again the purpose was to suggest a report earlier than the time frame suggested in the bill. This would allow parliamentarians to be informed earlier in order to determine how much progress has been made on suicide prevention by the government. The four-year report timetable as contained in the bill is a long time to wait for a progress report. During those four years, an additional 16,000 suicides and 1.2 million more suicide attempts would have occurred.

Another observation that I suggested be included in the report, or as an attachment to the report, was:

The government should consider including such groups as young people, members of the LGBT community, Aboriginals — including young Aboriginals — and media in the consultation process.

This observation was made in light of the testimony we heard by the excellent witnesses we had. The media can play a valuable role in promoting suicide prevention strategies. Groups such as the lesbian, gay, bisexual and transgender community and young people, particularly young Aboriginals, where suicide rates are higher than the average, could certainly provide important input to the government.

I am pleased that Senator Ogilvie spoke about these observations in his speech today.

By the way, with regard to the vote by the committee to not allow the observations, Liberal senators voted unanimously to include the observations, and the Conservative senators voted unanimously to not include the observations. We were told at the committee by a Conservative senator that the observations would slow down the bill. In fact, he referred to the observations as ornaments — ornaments — when he stated:

I think that the more ornaments we hang on this tree, the more in danger we are of confining rather than expanding the base of the work.

The reference to ornaments was made on two additional occasions during the discussions.

Honourable senators, this is a very serious issue, and I know that senators from both sides of this chamber have taken the role of examining this legislation very seriously. I believe that the discussions and observations suggested by Senator Eggleton would move the process along more quickly after the bill has received Royal Assent. The suggested observations regarding consultation were intended to allow the framework process to be more inclusive in terms of who would be consulted.

• (2020)

Members of the committee, no matter their political stripe, should be there with sincere efforts to improve this important piece of legislation. For a senator to treat this serious issue in such a frivolous and glib way by dismissing the observations as ornaments on a tree is incredibly insensitive and disrespectful to committee members and to the families who have lost loved ones to suicide.

The Social Affairs, Science and Technology Committee was the author of the outstanding report on mental health, mental illness and addictions entitled *Out of the Shadows at Last*. It was recognized by Canadians and stakeholders across the country for its recommendations. It was also instrumental in the establishment of the Mental Health Commission.

Honourable senators, this is the chamber of sober second thought, and Canadians expect that we take our role very seriously when examining legislation.

Honourable senators, the testimony we heard from the witnesses at the committee was very moving and illustrated the realities of suicide and its effect on loved ones. One statement from Dr. Alex Drossos, a board member of the Canadian Association for Suicide Prevention, spoke of the tragedy and trauma of suicide. He said:

Sadly, when someone dies of suicide, the pain is not gone; it is merely transferred to others — family, friends, communities; and their injuries are largely invisible and suffered mostly in silence.

Again, I would like to thank Mr. Albrecht, who is the sponsor of this bill. He should be congratulated on the work he has done in bringing the issue of suicide prevention to Parliament. Honourable senators, Bill C-300 is a good step in the right direction.

Senator Ogilvie: I wonder if Honourable Senator Cordy would take a question.

Senator Cordy: Yes, of course.

Senator Ogilvie: Would the honourable senator like to revisit her comment that the Conservative senators voted unanimously in the vote? My recollection is that the vote was 6-4 and that there were 11 senators at the table.

Senator Cordy: Senator Ogilvie chaired the committee and, if I recall correctly, he did not vote. I am sorry; I should have excluded the chair. The honourable senator is absolutely right, and I thank him for correcting that. The rest of the Conservative senators on the committee voted against accepting the observations, but the chair did not vote. For that clarification, I thank Senator Ogilvie for bringing that to my attention.

Hon. Joseph A. Day: I have a question for Senator Cordy, if she is prepared to take another question?

Senator Cordy: Yes.

Senator Day: I would like to thank Senator Ogilvie for tabling the letter of December 11. I have had a chance to read it. I do see where a good number of people were copied on this letter that was sent by the chair of the committee to the minister.

I wonder if Senator Cordy could tell me if it was the unanimous agreement of the members of the committee that the chair would send a letter summarizing his views or the committee's views following the committee hearings?

Senator Cordy: I received a copy of the letter when it was sent to everyone else, so, no, the contents of the letter was certainly not discussed at the meeting. I think Senator Ogilvie in his speech said that he took it upon himself to write the letter. It was not done as a committee.

Senator Day: Thank you.

Senator Munson: Would Senator Cordy take another question? Just as a point of clarification, while the vote may have been 6-4, who led the debate on the observations that were had before the vote took place on the observations?

Senator Cordy: I am trying to recall who actually led the debate. The Liberal senators were certainly the ones who wanted the observations. We certainly led the debate in trying to make the report to the Senate a much better report.

In fact, if one looks at who asked the questions to the witnesses at the committee, it was the Liberal senators. We had three hours of testimony. Senator Martin did ask one question of

Mr. Albrecht. Other than that, every Liberal senator asked a question at every hearing for the three hours. The Conservative senators asked no questions and only started discussing it when we said that we should bring forward observations.

I am not sure if that answers the honourable senator's question.

Senator Munson: I thank the honourable senator for that comment. Did the chair, before the other Conservative senators participated in debate, participate in the debate and give his point of view before there was a vote?

Senator Cordy: I am trying to look to see who said what. I have the transcript of the debates for the committee. Just give me a moment.

The Hon. the Speaker pro tempore: I know that Honourable Senator Dallaire wishes to speak. While Senator Cordy is looking for the document, would she object to his speaking now? I will undertake to come back to Senator Cordy later on.

Senator Cordy: I would appreciate that. Thank you.

Hon. Roméo Antonius Dallaire: Honourable senators, would it be possible that the time allotted for questions to Senator Cordy be given to her again? Other colleagues wanted to ask her questions.

The Hon. the Speaker pro tempore: Is that agreed, honourable senators?

Hon. Senators: Agreed.

Senator Dallaire: Honourable senators, teen suicide, contagion and the news media: We are treading here in some rather complex social debate in regard to suicide, the stigma of it, and how society is trying to respond to it, let alone whether governments and their engagement would help or, in some cases, as some arguments are going, may hinder.

Let me read, if I may, the following from an article in *The Globe and Mail*:

The Vancouver School Board is calling on news organizations in British Columbia to follow the Canadian Psychiatric Association's guidelines on the careful reporting of suicides. It says that media coverage of 15-year-old Amanda Todd's suicide in October created a risk of a copycat effect among other teenagers.

The board would muzzle the media with Canadian guidelines that are desperately out of date.

We are not starting at just what a framework is; we are starting from a long way back in regard to archaic philosophies in regard to this injury that ends up, in fact, being fatal.

These guidelines would in effect shunt suicides to the corner of the cemetery, where they once used to be. . . .

The silence around suicide and mental illness has been part of the problem. It has made it harder for individuals and families to seek help. Stigma, isolation and mental illness are a vicious circle. . . .

Reporting on suicide has become a potent force for change. . . .

We are starting to see that. This legislation articulates exactly that change, providing guidelines to improved public awareness, in itself, but then disseminating information about suicide, making publicly available existing statistics about suicide, promoting collaboration and knowledge in different domains and sectors, defining best practices, of course, and promoting the use of research. Now there is a real new angle to it — actually doing research in suicide and actually wanting to research to try to find a way to perhaps prevent suicides.

• (2030)

This has led me to look into the scenario in an organized, structured and meticulous organization when it comes to its people, and that is the Canadian Forces. In the Canadian Forces, the cases of suicide have been very similar to what we have seen in terms of the reaction of the Canadian Psychiatric Association and the school board, namely, that we have been trying to camouflage them — not just hide them, but camouflage them.

An example of that is Afghanistan. We could use the example of Gulf War veterans who have also been victims of suicide or have attempted suicide on several occasions. However, the Afghanistan situation is more current since it is not over.

The Afghanistan conflict involved two suicides in theatre. Two soldiers killed themselves in theatre. The 158 casualties were killed in action, KIA; however, two were suicides, and so they count. The 158 casualties were in theatre.

There is a bit of a problem because a number of soldiers, sailors and air personnel have come back injured, physically and mentally. Their injuries have been exacerbated to the extent that they have committed suicide.

Finally, boards of inquiry in National Defence were launched, starting in about 2008 — we had already been in theatre for six years — to try to guarantee, as legal beagles want, along with their medical experts, that the injury became terminal through suicide because of the operational theatre. The boards are now identifying that and recognizing it. We are seeing some soldiers who have been on 10 tours, and at the end of the tenth tour they commit suicide. We have seen other soldiers who after one tour lose a leg and are treated, with an enormous amount of urgency, in terms of providing a prosthesis and trying to get them mobile. We have made an enormous effort in doing that, and yet the individual still kills himself.

The problem there is that we were spending a lot of time on that leg, but we were forgetting to look between the ears. The soldier committed suicide. In his note, he wrote that he was proud to serve, that he recognized he was injured, and that he got all the care he needed for the injury, but he could not live with that injury. He could not be a soldier anymore.

We could not transition that individual from being a full-fledged soldier, operationally effective, to a civilian, potentially, with the injury, who could still be functional in the civilian world. We did not do that. We took care of the body, but we forgot to transition the individual to say, “You cannot be a full-fledged soldier, but you can certainly be an effective civilian and find all kinds of other endeavours, including physical ones, because you were very physical in your military career.” We forgot that one, and so he shot himself in the face and killed himself.

Others have gone through theatres of operation and had some psychological support, yet it is intermittent; it is not constant. The supervision is not there. The peer support in between the formal therapeutic sessions is not there. They go through lulls in those periods, and there is no one there just to listen to them or to check on them.

Suicide can happen in minutes. Some plan extensively, but suicide can happen in minutes. Without peer support, we have seen these injured soldiers — still speaking of Afghanistan, essentially — also killing themselves.

The question is, what should the Canadian Forces do? They are taking more casualties. I would venture to say that we have not seen the end of these casualties.

I went to the United States Department of Veterans Affairs in 1997 to seek advice on how we can build our system from scratch. They underwent Vietnam, so surely they had a lot of experience. When I spoke with them, they said, “We do not want you to go through what we have been going through.” I said, “What is that?” They said that they had lost 58,000 — so many — in action. Their names are on that magnificent monument over there in Washington. However, by 1997, 22 years after the end of the Vietnam War, and still counting, there were over 102,000 suicides directly related to the experience of combat in Vietnam.

Honourable senators, we are still taking casualties. Over the last five weeks, between Galetown and Petawawa, two operational bases, there have been three suicides — young people, corporals and a sergeant. One of them had been on five tours.

This scenario is being played out in a very structured organization. They have the chain of command, the selection process, the training, and so on. Yet, even with that, through the traumas, we are picking up suicides because of the experiences. This does not seem to be abating. On the contrary; they are coming out more and more. The injury is coming to the fore, they have more time, they are licking their wounds, and they are having a hard time adjusting. In addition, the peer support structure is not strong enough — not just the formal therapeutic sessions but the peer support, people to monitor and to be at the end of phone, people to be there.

Honourable senators, my four attempts at suicide failed only because a peer was there, and on one occasion barely made it. This comes from actual pain. It is a physical pain. Although it creates enormous pain for those who survive, that pain is nowhere near the pain of those who suffer alone, isolated and stigmatized, and who find that the only solution is to end it in the most terrible of fashions, that is, by killing themselves.

Suicides kill, but silence also kills. Even within the forces, we keep counting the 158 casualties, including the two who committed suicide in theatre. We are not counting the 178 or maybe the 188 who have committed suicide or who have been killed because of the operational deployments they have been on.

DND and Veterans Affairs Canada are not doing a decent job of not only keeping those numbers but in trying to prevent suicides on a major scale. The Chief of the Defence Staff introduced a program, and it was a framework. He used the term “framework.” He directed everyone to keep an eye on each other — the buddy system. Even at that, we are taking significant casualties. This is but a first step, a baby step in preventing the deaths of innocent people.

It is already catastrophic enough that we are not recognizing these individuals on our monuments as true casualties, even though the boards of inquiry are saying they died because of psychological injuries due to their operational theatres. We are not even doing that, and so the stigma is still there.

As I presented a week or 10 days ago, we finally created the Canadian Institute for Military and Veteran Health Research, made up of 25 universities that are seeking about \$15 million from the government in the next budget to continue to do research on better tools to prevent operational stress, better tools to assist in theatre, and much better tools post-deployment to prevent them from becoming catastrophic.

• (2040)

What I spoke of and what we have discovered is that the families of those who have been affected psychologically are also living the missions, because it is in the media. The stresses are so powerful and the pain associated with trying to live in that family so unpredictable because one is never sure what that member will do next and how it will be that we are now seeing suicides in the children of the injured soldiers, and there is no support for them. We have committed to the soldier and to the family, but there is nothing there. There are some programs that have barely begun, yet no significant actions have been implemented.

Honourable senators, I certainly support this bill, as wimpy as it is. If they really want to do something, then they should have the guts to do it. Why put out something half-baked when you could have been a leader in this country? You could actually lead the country with this bill. What you are doing is nudging, and you will get all kinds of objections because you have not put the strength behind this document in order to move all those other agencies out there, including Veterans Affairs Canada and DND — let alone the public service, which is also under enormous distress now — to really take action. It is a lost opportunity. Too bad, because we will be picking up more casualties.

I will end by saying that Kirby’s enormous effort has lost its funding. There is no further funding for that national program. The national peer support system that started within DND and that Kirby wanted to move across the country is now unfunded. That peer support system, as weak as it was, three years ago had a statistic and that statistic was that it prevented one suicide per day. I support it, but it is a real shame that it did not have the capability of achieving the aim that we wanted, but it failed in achieving.

Some Hon. Senators: Hear, hear.

The Hon. the Speaker *pro tempore*: Honourable senators, the Speaker, as it undertook, is going to revert to the Honourable Senator Cordy for the rest of her time. I would remind Senator Cordy that she has two and a half minutes remaining.

Senator Cordy: The Speaker has been most generous. I appreciate that. I think sometimes the more one tries to read something quickly, the more confusing it starts to look.

When I looked at the minutes of the meeting, Senator Eggleton presented his observations, then I presented my observations. If honourable senators will recall, my observations were to be inclusive in terms of people who would be consulted. The chair then spoke and, in relation to my observations, which are in clause 2, he said:

Frankly, I was quite pleased with the list of items under clause 2, because the pursuit of those will, I think, actually inform a national strategy really well. In fact, if we listen to the witnesses today, many of the things they were requesting came to items that are even specifically mentioned in here. . . .

Then he went on to say:

With regard to the time —

— and that was Senator Eggleton’s observation —

— I will certainly not argue with the basis of Senator Eggleton’s request, but I frankly would be astounded if this was not a bill that comes into force quickly, based on the overwhelming support for this concept and, indeed, the government’s own —

I think this was before we voted, so the chair is absolutely right, he did not vote. He certainly did allow his opinion as to whether or not the observations should be voted in favour of to the members of the committee.

Hon. Wilfred P. Moore: Would Senator Cordy take another question?

Senator Cordy: Yes.

Senator Moore: Honourable senators, this is a very unusual process we are engaged in here. I would not want it to be considered a precedent. We have a sole-sourced letter from the chair of the committee being tabled here. I would have thought it would go back to the committee for consideration, but that has not happened.

Does the contents of this letter reasonably contain the observations the honourable senator was hoping for?

Senator Cordy: I agree, it should have been a letter coming from the committee as a whole. A draft presented to the committee would have been the preferable way, I believe, for it to have happened.

Part of the letter says, “I urge that you bring this bill into force in the briefest possible delay following Royal Assent.” I think the observation that Senator Eggleton made regarding that would have been much more detailed and would — may I have five more minutes, please?

The Hon. the Speaker *pro tempore*: Is five minutes granted, honourable senators?

Hon. Senators: Agreed.

Senator Cordy: I thank honourable senators.

I read Senator Eggleton’s observations into the record, and they were very clear and very specific in terms of trying to hurry the process along. This certainly touches on it, but I think the observations would have clarified it much better.

Again, the letter says, “There is such broad support for Bill C-300 that I urge you to provide updates on the progress towards the development of a framework.” Again, it touches on Senator Eggleton’s observation, but his observation was very precise. The bill actually says that the first progress report be given four years after the implementation of the bill and then every two years thereafter. Senator Eggleton’s observation was that, in fact, this report should be given after two years, rather than waiting four years, which is what the bill suggested. Senator Eggleton’s observation would have made it much faster. This touches on it, but, again, I would say that Senator Eggleton’s observations would have been clearer.

The letter also talks about recognizing subgroups and suicide rates within the Canadian population. I think it is important to look specifically at subgroups, and that is what my observation leads to, that we would look at young people, members of the LGBT community where suicide rates are quite high, and certainly Aboriginal peoples overall, but specifically Aboriginal youth.

This was not even an amendment; it was an observation. It would have been much clearer for the minister to determine who these subgroups with high suicide rates within the Canadian population were. The observation would then have clearly outlined what subgroups they would have been.

The Hon. the Speaker *pro tempore*: Further debate? 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?

Hon. Senators: Agreed.

(Bill read third time and passed.)

[Senator Cordy]

KOREAN WAR VETERANS DAY BILL

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Martin, seconded by the Honourable Senator Neufeld, for the second reading of Bill S-213, An Act respecting a national day of remembrance to honour Canadian veterans of the Korean War.

Hon. Grant Mitchell: Honourable senators, I want to congratulate Senator Martin for her bill and her presentation of it. It was very powerful and very emotional, and it meant a great deal to me personally.

My father spent a year and a half with the Canadian Forces in Korea, affiliated with the UN forces. I have a deep feeling for that particular action and his role in it. My father was an officer in the Canadian military for 32 years. He fought in the Second World War with the British Black Watch because he volunteered to fight for them. They lost so many officers that they borrowed Canadian officers. He ended up in Vietnam — that came up earlier tonight — in the International Control Commission. It was very much part of my life.

• (2050)

First of all, I was in Korea on a trip for the fifty-fifth anniversary of the armistice. It is interesting that it is not a treaty; that war is not over. It is an armistice.

I was there with the Minister of Veterans Affairs Greg Thompson, who found that maquette, and it was a powerful moment in that dinner when he unveiled that and told the story, which the honourable senator related very well.

It was at Kapyong that we did a wreath laying ceremony. The point was made that not only did the Canadian PPCLI regiment distinguish themselves immensely there, but they were being overrun. Other forces withdrew, but the Canadians held, and the PPCLI commander called the Canadian artillery on his own position. It was a turning point in that battle, and that, in turn, was a turning point in the war.

I will finish by mentioning that on this trip that I was on, there were a number of Aboriginal veterans. It is very interesting to note that those veterans, as soldiers, went and fought on behalf of Canada in Korea, in a war where 516 Canadians were killed. I believe I am right to say they gave up their Aboriginal status to do that, and they did not have the vote and did not get the vote for a number of years. Their bravery and commitment to this immensely important endeavour should always be remembered in that context as well.

I thank Senator Martin for giving us all the chance to speak to and support this important initiative.

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

Some Hon. Senators: Question.

The Hon. the Speaker *pro tempore*: It has been moved by Senator Martin, seconded by Senator Neufeld, that Bill S-213, An Act respecting a national day of remembrance to honour Canadian veterans of the Korean War, be now read a second time.

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 *pro tempore*: Honourable senators, when shall this bill be read the third time?

(On motion of Senator Carignan, bill referred to the Standing Senate Committee on National Security and Defence).

[Translation]

PAYMENT CARD NETWORKS ACT

BILL TO AMEND—SECOND READING—
DEBATE ADJOURNED

Hon. Pierrette Ringuette moved the second reading of Bill S-215, An Act to amend the Payment Card Networks Act (credit card acceptance fees).

She said: Honourable senators, I rise today to move second reading of Bill S-215, which was introduced in the Senate on Tuesday.

This bill should not come as a surprise to you, honourable senators, or to Minister Flaherty.

In 2007, I raised the issue of the exorbitant fees merchants are charged for credit card use. You will certainly remember the outcry from merchants at the time. I have introduced bills in the Senate to reduce these fees a number of times. However, all of these bills died on the Order Paper when Parliament was prorogued or an election was called. I hope that that will not be the case with Bill S-215.

In the meantime, as a result of the outcry, two things happened. Canada's Competition Bureau investigated the issue in 2009 and filed an application with the Competition Tribunal in December 2010 regarding Visa and MasterCard. In May 2012, the Tribunal started to hear the case, and we are still awaiting its decision.

In April 2010 — the second event — Minister Flaherty introduced a voluntary code of conduct for the credit card industry. This was a first step in the right direction. However, as I indicated at the time, this code's main flaw is that it does not address the fundamental problem with this industry, which is the exorbitant acceptance fees that Visa and MasterCard — the dominant players in this industry — charge merchants.

[English]

As if to prove my point for me, Visa last month advised its users of a 30 per cent increase for April 2013. Since then, many merchants have written to Visa to protest the increase. In a response letter, Paul Rogers, Head of Acceptance, Visa Canada, dated November 21, 2012, writes the following:

Under the Code of Conduct for Credit and Debit Card Industry ("Code"), merchants have numerous options to help manage the cost of payment acceptance including the ability to offer discounts to steer to different forms of payment, and the choice to opt out of contracts without penalty following notice of fee increase.

In other words, if you do not like the increase, cancel your contract so that your customers will not be able to make purchases at your store with their Visa credit cards. They know that merchants have absolutely no choice but to accept credit cards or lose business. How arrogant can Visa get? We have been told time and time again that merchants have no negotiation powers with Visa or with MasterCard.

On a yearly basis, Visa advertises for \$1 billion to get customers hooked on their credit cards. In Canada, Canadian consumers used to pay with cash or debit cards for their groceries. Honourable senators will recall two years ago Visa's massive advertising where two friends check out with their groceries, and one asks the other what she got in addition to her groceries. She replies, "Nothing." The questioner says, "Well, I got 2 per cent cash back because I paid with my credit card."

Since then, honourable senators, this massive cash incentive moved millions of Canadians to pay for their groceries with credit cards to get 2 per cent cash back. At the end of the day, that 2 per cent is paid with additional fees to merchants and, by extension, to all Canadian consumers. Let us not kid ourselves.

• (2100)

It also seems that the current government and the Minister of Finance also have no negotiation power with Visa and MasterCard. They have not been able to resolve the key element between the credit card industry and the merchants after four years. Visa just proved it. Clearly the code has only been a band-aid on a hemorrhage of fees for merchants and consumers.

Knowing full well that their acceptance fees are not established in the code of conduct, they can increase fees as long as they give notice. The Competition Bureau already stated on its own website that:

Canadian merchants that accept Visa and MasterCard credit cards pay a card acceptance fee from 1.5 to more than 3 percent of each purchase. Meanwhile, processing fees in most other countries are significantly lower.

Honourable senators can go to the Competition Bureau website and see the exact same words.

Let us look at a few facts since I first introduced bills to curtail excessive acceptance fees. May I remind honourable senators that acceptance fees include network fees that are set and retained by

Visa and MasterCard, interchange fees set by Visa and MasterCard but retained by the issuers that are the financial institutions, and the service fees that are retained by the acquirers that provide terminals and network at the point of sale.

In November 2008, I indicated to the Senate that Canadians held 64 million credit cards, 80 per cent of them Visa and MasterCard, and they were used 65 per cent of the time to purchase \$294 billion of goods and services in 2007. In 2007, Canadian merchants and all consumers paid \$4.5 billion in acceptance fees.

From the most recent data in 2011 — so these are the facts three years later — Canadians bought \$322 billion of goods and services with credit cards in that year alone. They paid \$42 billion in sales tax with these credit cards using Visa or MasterCard 92 per cent of the time — not 65 per cent of the time.

Six hundred and seventy thousand merchants and all Canadian consumers paid acceptance fees at an average rate of 2.5 per cent for \$9 billion in 2011 alone — \$9 billion — acceptance fees of \$8 billion on purchases, and another \$1 billion in acceptance fees just to collect the sales tax. In my book, that is a tax on tax from Visa and MasterCard. There is no doubt about it.

From 2007 to 2011, Canadians have increased their credit card purchases by an additional \$28 billion a year. Credit card acceptance fees have almost doubled, going from \$4.5 billion in 2007 to \$9 billion in 2011.

If Parliament and the Harper government would have accepted my bill in 2008, limiting the fees, as in Australia, at 0.5 per cent for merchants and consumers, we would have saved \$7.2 billion in 2011. Those are savings on groceries, gas, clothing, heating, flights, restaurants, hotels — anything that one would buy with a credit card. It would have been \$7.2 billion in 2011.

That would have stayed in our country, created jobs and helped the average Canadian consumer pay less for the essentials of their day-to-day life, and it would have helped our small and medium-sized businesses stay alive.

Senator Mitchell: We would have been more competitive.

Senator Ringuette: To bring some perspective on the yearly savings of \$7.2 billion, it is twice the yearly cut of \$3.6 billion from the federal government in health care transfers to the provinces; it is 50 per cent of the payroll of the 237,000 public service health nurses in Canada; it is 30 per cent — 30 per cent — of the federal and provincial royalty and taxes from oil and natural gas; and it is equal to the annual revenue of the forestry and logging sector.

We can easily establish that between 2008 and 2011, merchants and Canadian consumers paid excessive fees to Visa and MasterCard of approximately \$15 billion, because we did not pass my bill in 2008 when it was the right time to do it.

[Translation]

In early 2009, experts at the Bank of Canada examined the cost to merchants of a \$36.50 transaction free of tax, based on three different payment methods: cash, debit and credit. The cost to the

merchant was 25 cents when the consumer paid cash, 19 cents for a debit transaction and 82 cents for a credit card transaction. The merchant paid the least for a debit transaction, a flat fee of 12 cents per transaction — which is the fee to this day — rather than a percentage of the bill, as is the case with credit cards.

We must also take into consideration the acceptance fees paid by other Canadian entities, such as the federal government and its Crown corporations, provincial and territorial governments and their Crown corporations, municipal governments, universities, colleges and charitable organizations that use this fantastic plastic.

For example, between 2000 and 2010, credit card acceptance fees paid by the University of Saskatchewan increased from \$140,000 to \$900,000.

In 2010, the City of Ottawa paid \$1.4 million in acceptance fees.

In 2009-10, the federal government, excluding Crown corporations, paid \$13 million in acceptance fees.

In 2009-10, Parks Canada alone paid \$800,000 in acceptance fees to Visa and MasterCard.

• (2110)

Under Bill S-215, consumers, merchants and — as is the case in Australia — governments would pay 0.3 per cent in acceptance fees and charities, such as the Canadian Red Cross and the Canadian Cancer Society, would pay 0 per cent.

If the aforementioned acceptance fees had applied in 2010, the Government of Canada and its taxpayers would have paid \$10 million instead of \$18 million; the City of Ottawa, \$1.2 million instead of \$1.4 million; Parks Canada, \$700,000 instead of \$900,000, and the list of savings gets longer if we look at the exorbitant acceptance fees that currently apply in Canada.

Other countries established limits years ago. In 2006, Australia set the acceptance fees at 0.5 per cent for commercial transactions, 0.3 per cent for governments and 0 per cent for charities. Australia reviews these limits every three years and has not increased them since 2006. Visa and MasterCard and their Australian partners continue to make reasonable profits on the Australian market.

In the United Kingdom, the acceptance fees for all credit cards were set at 0.9 per cent a long time ago. Other European countries capped Visa and MasterCard's fees. Germany did so in 1990; Austria, Belgium, Cyprus, Denmark, Spain, Finland, France, Greece, Hungary, Ireland, Italy, Lithuania, Latvia and the Netherlands did so in 2004; Poland, Portugal, Romania, Sweden, Slovenia, New Zealand, Japan, Argentina and Brazil are currently reviewing the matter. Despite the often endless discussions that are the norm in the United States, the U.S. House of Representatives and the Senate have managed to limit the debit card fees charged by Visa and MasterCard.

To put this abuse into perspective, credit cards are mainly issued by five Canadian banks, and last year, in 2011 — the latest year for which figures are available — the five major Canadian banks increased their net profit after taxes by 15 per cent and made \$22.4 billion.

[Senator Ringuette]

To date, for 2012, the five major Canadian banks have made a net profit of \$7.8 billion in the third quarter alone, which is an increase of 45 per cent compared to the same period last year.

If we look at the third quarter for the five major banks, we see that the Royal Bank made \$2.24 billion, an increase of 73 per cent compared to last year. That is acceptable, is it not? TD Bank made \$1.7 billion, an increase of 14 per cent. Scotiabank made \$2.5 billion, an increase of 57 per cent. CIBC made \$841 million, an increase of 42 per cent, and finally, the Bank of Montreal made \$971 million in its third quarter, an increase of 37 per cent.

Honourable senators, there is no need to wonder where the excessive fees that Visa and MasterCard charge are going, because if we look at the revenue generated by both Visa and MasterCard from 2009 to 2011, Visa increased its profits from \$6.9 billion in 2009 to \$9.2 billion in 2011. MasterCard increased its profits from \$1.3 billion in 2009 to \$1.72 billion in 2011.

My dear colleagues, is it not a strange coincidence that both Visa and MasterCard saw their profits rise by 33 per cent between 2009 and 2011? Both of them. What a coincidence.

[English]

Honourable senators, I will spare you the slate of CEO pay raises and bonuses that have followed these huge increases since the financial crisis of 2008.

I invite honourable senators to google “obscene bonuses.” You can read until the New Year about these obscene bonuses. Indeed, the rich are getting richer and the poor are getting poorer.

There is no doubt in my mind that one must make profits in order to stay in business. That holds true for small, medium-sized and large businesses.

However, one must wonder how much unjustifiable cost the small and medium-sized businesses and consumers must bear to satisfy big business.

How long can government remain wilfully blind? The bulk of jobs in this country are created by small and medium-sized businesses, while merchants and consumers are being gouged by the big partners of credit cards.

How can the federal government continue to endorse through its silence these excessive fees for SMEs, for provincial, territorial and municipal governments, for universities and colleges, and for all Canadian consumers?

Canadian consumers are paying more than their U.S. counterparts for groceries, gasoline, clothing, airplane tickets, hotels, restaurants, et cetera, because of these higher-than-should-be acceptance fees from Visa and MasterCard. It is an integral part of the difference in pricing between Canada and the U.S.

Given the same conditions, the Canadian consumer is paying \$7.2 billion more for the same goods and services purchased by their counterparts in Australia.

The reality is that two years ago, before our Senate Banking Committee, Tim Wilson, head of Visa Canada, referred to electronic payment as a digital currency. If the owner of a product confirms such a characteristic, then I believe that, notwithstanding the bill before you, the Minister of Finance and the Bank of Canada have a duty and an obligation to regulate that “currency.”

• (2120)

Under the Constitution Act, 91.14 clearly states that the issue of currency is an exclusive federal power of the Canadian Parliament. It seems to me that Visa and MasterCard’s pricing for their product is not related to cost, but more to how much they can get their currency in the Canadian consumers’ hands. More Visa and MasterCard credit cards in consumers’ hands mean more consumers will use them for practical reasons in addition to the bells and whistles some provide. The more the consumers use them, the more power they give to Visa and MasterCard in the market. The more that Visa and MasterCard increase credit card acceptance fees, the less power there is for merchants and consumers.

Visa and MasterCard, the issuers and the acquirers, have created a perfect storm for merchants and all consumers to consistently pay more. The issue of Visa’s and MasterCard’s excessive fees has become more evident since they became separate for-profit, publicly traded companies. That was done by MasterCard in 2006 and by Visa in 2008.

Ultimately, honourable senators, it is all Canadians from all income levels, from all industries that pay the piper — Visa and MasterCard — excessive fees.

In conclusion, if Minister Flaherty is doing a budget consultation, I invite him to consult this bill, give it his approval and pass it into legislation before the increase in April 2013. Instead of being a cost to all governments, it will provide savings. It will reduce the abuse of Visa and MasterCard in the Canadian marketplace, just as other countries have curtailed the abuse. It will save merchants and all Canadian consumers \$7.2 billion a year. That is not pocket change. It is \$7.2 billion a year; billions that can save small- and medium-sized businesses, save jobs in those businesses and provide \$7.2 billion in each year to our Canadian economy.

Honourable senators, I wish you all a merry Christmas. Do not use credit cards during our break, but please, in case Minister Flaherty is in your area on the budget consultation, bring a copy of the bill and a copy of my speech.

Hon. Catherine S. Callbeck: Will the honourable senator take a question?

Senator Ringuette: Yes, if we have time.

Senator Callbeck: First of all, I want to thank her for bringing forth this legislation. I think it is something that is really needed and will be of great benefit to consumers and small businesses. As Honourable Senator Ringuette reminded us, it is small businesses in this country that really create jobs.

I want to ask about the voluntary code of conduct that the minister introduced back in 2010 with a lot of hoopla, as I recall. Under that, MasterCard and Visa can still increase the fees as long as they give notice.

Senator Ringuette: Yes.

Senator Callbeck: Did that voluntary code of conduct make any difference? Did it have any impact at all?

Senator Ringuette: It had minimal impact in the sense that Visa and MasterCard have to give notice to merchants before putting forth an increase. It has also provided that the merchants' statement from Visa and MasterCard better identifies the rates that they are paying in accordance to which card. That was a little bit better.

With regard to users of the credit card, at the end of the month it provides a clearer understanding of the cost to the consumer.

However, nowhere in that voluntary code of conduct does it deal with the main issue that has been in front of Parliament and the Minister of Finance since 2007, and that is the fees.

Honourable senators can take my word for it, but if they would like to double-check, they can get additional information on the website of the Competition Bureau of Canada. It is clear that Visa and MasterCard dominate 92 per cent of the Canadian market. Therefore, they are king; they command. We parliamentarians must recognize the gross abuse that has been going on in that industry since 2006, and we as Canadians do not seem to have as much guts as Australia, Germany and the United Kingdom. They reigned in these fees for merchants and all consumers. It is clear that with all the studies that have been done throughout the world on the issue of these excessive fees that not only do the merchants pay, but all consumers pay, whether it is with a credit card, debit card or cash. Everyone pays.

If I could, I would climb the Peace Tower and shout it from there.

Honourable senators, I think that we have greater capabilities for analyzing a situation. This chamber should never again, looking at such an issue, accept any kind of statement that says the "free market." There is no free market in Canada. There is no free market in China. Markets are the sum of status that the Parliament of Canada, provincial governments and municipal governments have in place so that we can live in society. Parliamentarians, legislatures and municipalities create market, otherwise there is no market and, therefore, there is absolutely no free market in the world. It does not exist. It is a figment of the right wingers' imagination.

(On motion of Senator Carignan, debate adjourned.)

[Senator Callbeck]

• (2130)

[Translation]

CANADIAN HUMAN RIGHTS ACT

BILL TO AMEND—SECOND READING— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Finley, seconded by the Honourable Senator Frum, for the second reading of Bill C-304, An Act to amend the Canadian Human Rights Act (protecting freedom).

Hon. Pierre Claude Nolin: Honourable senators, considering how late it is, I will be brief and to the point, but I would have liked to speak at length about what I consider to be a flaw in Bill C-304.

The purpose of Bill C-304 is to repeal the Canadian Human Rights Act. Section 13 pertains to hate messages when they are provoked and spread by telephone or Internet.

The Supreme Court ruled on the constitutionality of the original wording of this section from 1990. The problem is that the courts started to question the amendments that were made to the legislation in 1998 when we changed the conciliation process in the legislation and when we toughened sentences.

In my opinion, the problem is not section 13, but the sentences associated with section 13 since 1998. I would like to convince you that section 13 is not the problem even though the proponents of the bill say that section 13 violates Canadians' freedom of expression.

The Supreme Court recognized that this did indeed violate freedom of expression, but it also said that respect for the dignity and equality of individuals, especially as members of a particular group, justifies limiting this freedom of expression. I think we should not dwell on the attack on freedom of expression brought about by section 13.

I think we have to review the legislation as it was when the Supreme Court reviewed it in 1990. I hope that the Standing Senate Committee on Legal and Constitutional Affairs will review the amendments that were made in 1998.

I remember the debates at the time quite well. Some of us were there, and I think that people even expressed some concern over increasing the fines associated with the discriminatory acts set out in section 13.

Given that I want Bill C-304 to be referred to committee, I will not support it. I will vote against the bill and hope that it will be reviewed properly in committee.

(On motion of Senator Comeau, for Senator Kinsella, debate adjourned.)

[English]

RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

FOURTH REPORT OF COMMITTEE— DEBATE ADJOURNED

The Senate proceeded to consideration of the fourth report of the Standing Committee on Rules, Procedures and the Rights of Parliament (Amendments to the *Rules of the Senate*), presented in the Senate on December 12, 2012.

Hon. David P. Smith moved the adoption of the report.

He said: Honourable senators, I realize that it is late, but I do want to get my comments on the record. You may be relieved to know that they are contained on one page.

Honourable senators, I am pleased to speak to the fourth report of the Rules Committee. As I noted in early November with respect to the third report, our objective and the ongoing review of the rules is to move beyond just clarification and reorganization of the rules to proposing amendments that, in the committee's opinion, either fill in gaps or are preferable to what are current practices.

The committee is deliberately bringing forward proposals a few at a time so they are easier to consider and, I hope, adopt. The report proposes two amendments, which I will address in turn.

The first recommendation is to delete rule 13-2, which deals with breaches of privilege in the media. The committee does not believe that this provision serves any practical purpose since rules 13-4(1) and (4) now clearly require that a senator raising a question of privilege identify the subject matter or substance of the alleged breach. In practical terms, if the alleged breach involves a statement in the media, the senator would have to identify the substance, source and nature of the breach. Rule 13-2 is, in our judgment, superfluous.

More fundamentally, the committee is uncomfortable with a rule that so directly targets the media. It is not in keeping with modern Canadian society, where freedom of expression is a constitutionally protected right. We are not going as far as some jurisdictions, such as the Australian Parliament, which do not deal with complaints of contempt raised against the media. There may be situations in which a senator is compelled to raise such a matter, but that would still be possible without rule 13-2. We feel that its continued existence sends entirely the wrong message.

In considering this proposal, it may help senators if I give some background. The *Rules of the Senate* were first amended to contain explicit provisions relating to privilege in the early 20th century. Three changes on this matter were made together in 1906. First, a provision relating to the urgency of a question of privilege taking precedence over other business was included. This provision was dropped from the rules in 1991, when a more detailed process for dealing with questions of privilege was included in the rules. Second, the rules were changed to include what was, up to this September, rule 59(10). That provision has

now been dropped and replaced by rule 13-5. Finally, a provision relating to complaints against the media was included. This is now rule 13-2, which is therefore the only one of the three changes that remains in the rules as a legacy of a much looser period for dealing with questions of privilege.

The second recommendation provides clarification on Senate sittings when Royal Assent is anticipated. Under our current rules, when it is announced that the sovereign, the Governor General or a representative is coming to the Senate, we cannot adjourn until the ceremony is finished. This covers situations in which Royal Assent is by traditional ceremony. Since 2002, however, a second process, Royal Assent by written declaration, also exists. The proposed addition to the rules would provide a straightforward system to ensure that when either the Leader of the Government or the deputy leader indicates that Royal Assent by written declaration is anticipated, the Senate would generally follow the existing process until either the written declaration is received or it is indicated that it is no longer anticipated. This provision could only be used when there is at least one bill awaiting Royal Assent.

Honourable senators, this committee is being careful as it continues its work reviewing the *Rules of the Senate*. I commend these amendments to you, which have been adopted by your committee, for your consideration and adoption.

(On motion of Senator Carignan, for Senator Cools, debate adjourned.)

• (2140)

STUDY ON CANADIAN FOREIGN POLICY REGARDING IRAN

NINTH REPORT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE COMMITTEE— DEBATE ADJOURNED

The Senate proceeded to consideration of the ninth report of the Standing Senate Committee on Foreign Affairs and International Trade entitled: *Iran in Focus: Current Issues for Canadian Foreign Policy*, tabled in the Senate on December 12, 2012.

Hon. A. Raynell Andreychuk moved the adoption of the report.

She said: Honourable senators, I am speaking to the ninth report of the Standing Senate Committee on Foreign Affairs and International Trade, on Iran, its implications and other related matters, which we undertook at the request, last February, of our Minister of Foreign Affairs. The situation in Iran has been a matter of concern to Canadians and the Government of Canada. During the committee's study, on September 7, 2012, the Minister of Foreign Affairs announced his decision to relocate the visa and immigration section at the embassy in Tehran to Ankara, Turkey, to sever diplomatic ties with the Iranian regime, to declare as *personae non gratae* all Iranian diplomats in Canada and to list Iran as a state sponsor of terrorism.

Just this week, the Minister of Foreign Affairs announced expanded sanctions against entities, designated persons and sectors with links to Iran's nuclear program.

We were pleased to note that these measures directly reflect some of the suggestions in our report. Our report identifies three critical considerations for Canada's foreign policy toward Iran: first, Iran's nuclear activities; second, human rights in Iran, and third, the shifting dynamics in Iran's broader neighbourhood.

Iran's nuclear activities are the leading concern for Canada and the international community. Iran continues to refuse to cooperate fully with the International Atomic Energy Agency. This raises serious questions about the Iranian regime's claims that its nuclear intentions are peaceful in nature. It is impossible to determine how soon Iran could develop a nuclear weapon. However, witnesses testified that Iran has achieved 20 per cent uranium enrichment. This is "far beyond the requirement for nuclear power."

From 20 per cent, it becomes much easier to reach the 90 per cent enrichment required for a nuclear bomb. However, witnesses caution that the international community cannot wait until Iran is nuclear-armed. Even a nuclear-capable Iran would be essentially shielded from military action. This would afford the Iranian regime a degree of protection that, according to one witness, could "further embolden it to continue and intensify its nefarious activities."

Many members of the international community, including Canada and its allies, have taken various measures to prevent Iran from crossing the nuclear-capacity threshold. These include sanctions and negotiations within the P5 plus 1 framework, including the permanent five members of the United Nations Security Council plus Germany. Failing a political solution, Israel and the United States have maintained that they could resort to military action against Iran's nuclear facilities, albeit with some different indications of when that might be possible.

While sanctions take time to work, they are a serious, coercive instrument. International sanctions against Iran include four rounds of sanctions under Chapter 7 of the United Nations Charter, as well as complementary measures taken by the EU, the United States, Canada and others. During our study, these sanctions were beginning to drive Iran even deeper into economic isolation. Citing estimates that current sanctions could cut off 50 per cent of Iran's oil revenues, one witness called them "the equivalent of a military blockade of Iran's oil ports, which is an act of war."

Sanctions can also have serious and inadvertent humanitarian impact. The committee heard, for example, that ordinary Iranians are now talking openly about the possibility of famine. Several witnesses suggested ways in which Canada could focus the impact of its sanctions on the Iranian regime. These suggestions included working to increase the number of states applying sanctions on Iran, expanding the list of key senior Iranian officials against whom sanctions are applied and targeting Iran's most vulnerable asset, oil.

I commend the Minister of Foreign Affairs for taking steps in that direction. The effectiveness of our sanctions regulations can be further improved. Our committee suggests that the Government of Canada look into simplifying and coordinating our regulations on financial transactions with Iran. Meanwhile, witnesses noted the importance of holding open the option for Iran to return to and continue at the negotiating table. Canada

must continue to support the P5 plus 1 negotiations and remain attuned to any signal that Iran is willing to explore a political settlement. However, our expectations should be measured. Iran has invested heavily in its nuclear program and has used negotiations to buy time in the past. The likelihood that Iran will agree to suspend its nuclear enrichment program fully and to allow inspections is remote but not impossible.

Witnesses provided their assessments about the likely timing, effectiveness and consequences of a possible military strike on Iran's nuclear facilities. This option has been discussed primarily by Israel and the United States. Witnesses cautioned that military action risks providing political fodder to the regime and could harden its resolve to pursue nuclear militarization. As one witness summarized the situation, "If we look well into the future, a nuclear Iran would be worse than the consequences of an attack against Iran."

While the military option should remain on the table as an absolute last resort, we must allow time for sanctions and negotiations to work.

A second issue of concern in our study concerns the importance of maintaining a focus on human rights. Several senators have voiced their concern in this chamber over persistent violations of Iranian social, domestic, political and cultural rights. Here I note Senator Frum as she was part our committee and continues to follow this issue actively. Our committee heard extensively about the mistreatment of religious and ethnic minorities; restrictions on freedoms of expression, association and the media; restrictions on the right to education; a lack of due process; ongoing prosecutions of opposition members, human rights defenders, defence lawyers and trade unions; and the widespread use of the death penalty.

Witnesses painted the picture of a deeply suspicious regime tending toward more repression and disregard of human rights and basic freedoms.

The international community has taken several measures to address the human rights situation in Iran. They include the Universal Periodic Review, a state-driven peer review process under the auspices of the United Nations Human Rights Council; and the appointment of Dr. Ahmed Shaheed as the United Nations Special Rapporteur on the situation of human rights in the Islamic Republic of Iran. Canada has also, for nine consecutive years, co-sponsored a resolution at the United Nations General Assembly expressing deep concern over the human rights situation in Iran. Witnesses encouraged Canada to continue and accelerate these initiatives, but a number of witnesses took their analysis further. They highlighted communication as the lifeline of the pro-democracy and pro-human rights movements in Iran. These movements have had their activities severely curtailed since the defeat of the 2009 Green Revolution.

• (2150)

Given Canada's limited bilateral relations with Iran, witnesses underlined the potential of the Iranian diaspora in Canada to act as a conduit for communication with and between Iranian human rights activists. In this regard, the committee suggests that the Government of Canada look to increasing funding for such groups.

The third main area of concern identified by our committee involves shifting dynamics in Iran's broader neighbourhood. We heard that Iran's relations with other countries in the Middle East are complex and prone to tensions and that the Arab Awakening is considered a net loss for Iran. Amid growing public enthusiasm for democratic reform and human rights in the Middle East and North Africa, Iran has continued to crack down on dissent and free expression. This has precipitated a decline in Iran's soft power within the region.

The situation in Syria, Iran's only remaining ally in the Arab world, may accelerate this decline. If President Bashar Al-Assad ultimately falls, Iran will be further isolated. If he does not, Iran's support for Assad could be held against it.

Considered more broadly, the Iranian regime is a destabilizing force in the region and a threat to international peace and stability. It has provided support to terrorist organizations such as Hamas and Hezbollah, and tensions between Iran and Israel remain one of the main concerns facing the region.

Besides being an existential threat to Israel, many witnesses commented that a nuclear-armed Iran could spark regional nuclear proliferation.

Each of these issues — Iran's nuclear activities, its human rights record and the unstable regional dynamics — is a serious matter in its own right with implications for Canada's interests.

Canada must continue scrutinizing developments in Iran and be ready to take action when and if necessary. The government's recent actions underscore its comprehension of the severity of Iran's threat to the region and global security and its own people. It is important, however, to emphasize that the government's action is not directed at the Iranian people but rather at the regime that opposes their rights and freedoms.

Canada needs to continue working with its allies to help Iran move toward a system of democracy, good governance and human rights, to become a productive member of the international community.

As events continue to unfold, the committee hopes that our report provides some guidance as to how Canada can support the aspirations of the Iranian people while increasing the strength and effectiveness of our foreign policy towards the Iranian government.

We, as a committee, will continue to follow the developments in Iran closely.

[Translation]

Hon. Roméo Antonius Dallaire: May I ask a question? My question has two parts.

[English]

One element concerns the Baha'is. The honourable senator did mention the ostracizing of religion. Was there an analysis of the Baha'is and whether they are moving towards the possibility of the genocide of the Baha'i religion inside Iran? That is one aspect of my question.

The other aspect concerns the fact that Senator Andreychuk put so much emphasis on the nuclear side and the fact that we want disarmament and non-proliferation, of course. The Iranians do not want to agree to UN inspections. At the same time, Israel has refused to accept the UN inspections of its nuclear capability, and we supported that.

Can the honourable senator tell me why we have two angles to a significant problem of nuclear proliferation in that region?

Senator Andreychuk: Honourable senators, on the second point, I would be delighted to give my own opinions on what the government did in the second case on the vote in Iran. However, that was not part of our study. We very carefully looked at Iran.

May I have a few minutes to finish?

Hon. Senators: Agreed.

Senator Andreychuk: Therefore what we were looking at is the actions that Canada could take and had taken with respect to Iran per se. We only touched the region as to Iran's activities. We were fully aware of Israel's comments about Iran and Iran's comments about Israel, but we were not commenting further. That was not our study. Therefore, I decline on that.

On the Baha'i issue, it was certainly noted, but they are not the only group. As honourable senators know, the United Nations and Canada, through many governments, have always put the issue of the Baha'is front and centre, and the issue of those who do not follow Iran's concept of activity, both marital and otherwise, women's issues and homosexuality. All of these issues have been raised, since I have been in the Senate, by many parliamentarians. Those activities continue.

I use the word "genocide" very carefully. I will only use it in the context of the International Criminal Court. There is a process. However, there is no doubt that the death penalties have increased, the persecution has increased and the prosecutions. That is why we have attempted to get the United Nations in there with a special rapporteur, and every country should be encouraging Iran to allow that person in, but we know that that person is having the same difficulties as the nuclear inspectors have.

We have a very active Baha'i community, and they have been before the committee here. Their comments are in our report and in the testimony.

(On motion of Senator Tardif, debate adjourned.)

STUDY ON ISSUE OF CYBERBULLYING

NINTH REPORT OF HUMAN RIGHTS COMMITTEE AND REQUEST FOR GOVERNMENT RESPONSE— DEBATE ADJOURNED

The Senate proceeded to consideration of the ninth report of the Standing Senate Committee on Human Rights entitled: *Cyberbullying Hurts: Respect for Rights in the Digital Age*, tabled in the Senate on December 12, 2012.

Hon. Mobina S. B. Jaffer moved:

That the ninth report of the Standing Senate Committee on Human Rights, entitled *Cyberbullying Hurts: Respect for Rights in the Digital Age* tabled in the Senate on Wednesday, December 12, 2012, be adopted and that, pursuant to rule 12-24.(1), the Senate requests a complete and detailed response from the government, with the Minister of Public Safety being identified as the minister responsible for responding to the report, in consultation with the Minister of Justice and Attorney General of Canada and the Minister of Health.

She said: Honourable senators, I rise today to speak on the report of the Standing Senate Committee on Human Rights on cyberbullying. The name of the report is *Cyberbullying Hurts: Respect for Rights in the Digital Age*.

[Translation]

Cyberbullying Hurts: Respect for Rights in the Digital Age.

[English]

In November 2011, the Senate authorized the Standing Senate Committee on Human Rights to examine the report on the issue of cyberbullying in Canada, with regard to its international human rights and obligations under Article 19 of the United Nations Convention on the Rights of the Child.

Before I proceed, I want to sincerely thank Senator Ataullahjan for bringing forward this order of reference and for her tireless efforts on this issue.

Honourable senators, the Human Rights Committee heard from 60 witnesses regarding this study, including, for the first time in the Senate's history, young people during both public and in camera hearings. The young people really changed our perspective. They encouraged us to look at solutions achieved through the participation of the entire community. Our report calls for a whole-of-community approach to cyberbullying. Our six recommendations reflect the notion that all community members have a role to play.

The report highlights witness testimony about the need for students, parents, teachers and communities to develop and adopt a concept of digital citizenship.

Finally, the report reflects the committee's rights-based approach to studying cyberbullying. According to that approach, all children have equal rights and must be active participants in the development of those rights. Our rights-based approach also emphasized the state's responsibility to ensure those rights.

According to Article 19 of the UN Convention on the Rights of the Child, the federal government has a responsibility to protect Canada's children from physical and mental violence.

[Translation]

During our study, we heard from more than 60 witnesses, including university researchers, volunteers, website operators, departments, non-governmental organizations, teachers and, of course, teenagers.

• (2200)

These courageous young people who came to tell us their stories and the many experts in this field told us that our efforts should focus on awareness and prevention.

Everyone must be involved in the fight against cyberbullying, and everyone has a role to play in promoting what is known as digital citizenship.

What we must do is create an environment where cyberbullying is unacceptable and considered a human rights violation. Parents, schools, public authorities, non-governmental organizations, private businesses, Internet service providers and young people themselves all have a role to play.

We examined cyberbullying as a violation of the human rights of children, as set out in the Convention on the Rights of the Child, which Canada has signed.

We are asking the federal government to work with the provinces and territories on coordinating an anti-bullying strategy that includes a plan to increase awareness of cyberbullying across the country and support programs for children and parents.

[English]

I want to share some of the voices we heard during the hearing. Shelby Anderson, a student from Springbank Middle School told the committee:

Cyberbullying is everywhere, and it really hurts. It makes you want to crawl in a hole and just stay there. It makes you feel like you are the only one and no one is out there to help you; no one can help you.

Families need to know that there are services and supports available to them, no matter which part of the country they live in. They need to be confident that the appropriate programs are being offered. We heard from some witnesses that implementing the wrong program for a particular community can do more harm than good. Programs are currently being delivered in a piecemeal fashion across Canada, meaning young people are often getting different messages about cyberbullying.

The lack of a common definition of "cyberbullying" also presents a challenge for researchers in sharing their findings. A coordinated strategy can offer researchers an opportunity to collaborate more effectively on efforts to better understand the impacts of cyberbullying on the social and emotional development of children. Further in-depth study can also determine gender differences, risk factors and other protective factors linked to cyberbullying.

This research can, in turn, help develop appropriate programs and services that can benefit the different types of communities and schools where bullying problems exist. It is important that we work harder to understand cyberbullying from the perspective of those whom it affects.

During a private committee hearing, one witness gave the following testimony:

Every day of my life, ever since I joined this school, they have come on MSN and they have started making fun of me. This all started when I was in Grade 9. These girls would come online and start making fun of me. They would call me names and say things like “you are a fag, gay, stupid, loser, nigger, ugly.

A teacher by the name of Bill Belsey told the committee, “The use of technology is like the air that this generation breathes.”

When cyberbullying hurts, it is an all-consuming, constant hurt. As the committee heard time and time again, cyberbullying happens 24-7.

[Translation]

We are also asking the federal government to work more with the industry to make the Internet safer for children, including by finding ways to monitor and remove offensive, defamatory or otherwise illegal online content in a manner that respects privacy, freedom of expression and other relevant rights.

[English]

Cyberbullying is a form of bullying that presents a new challenge for young people due to the complexities of growing up in the digital era. They are navigating a cyberworld of ever-changing frontiers and possibilities while parents and caregivers are often unaware of the significant role that the Internet and mobile devices can play in their lives. Each new generation faces challenges that the older generation struggles to comprehend.

For young people, technology shapes the way they access information, interact with one another, and define themselves as individuals. Yet, many do not fully understand the short- or long-term consequences of their online actions on themselves or others and do not heed to the maxim “think before you post.”

We learned from young people that, for those who are cyberbullied, it sometimes feels like there is no escape. Many suffer in silence for fear that parents will take away their Internet access or smart phone. For them, this would mean being cut off from a big part of their social lives. It can be hard for them to know where to turn for help.

As adults, we need to ensure that the support they need is there for them. Parents and caregivers have a key part to play in protecting children from the hands of cyberbullies and in encouraging positive online experiences. We heard from more than one witness that parents would not buy their child a car and hand over the keys without making sure they had driver’s training first. Unfortunately, many people buy their child a smart phone without preparing them for the risks that come along with the opportunities.

Parents and caregivers may not have the same level of Internet knowledge and digital skills that their children have, but, as many of our expert witnesses pointed out, one thing parents and caregivers can offer is open and honest communication so that young people feel free to talk about what they are experiencing.

[Translation]

Experts have said that the behaviour that children observe at home can serve as a model for their lives online, for better or for worse.

If children learn to respect others and themselves and there is an atmosphere of tolerance and openness at home, it is more than likely that they will have the tools they need to avoid falling into the trap of cyberbullying, whether it be as a victim, a bully or a passive witness who watches without getting involved.

Under the Convention on the Rights of the Child, we have an obligation to protect children from physical and mental violence, including cyberbullying. Cyberbullying violates children’s right to be treated fairly and protected from discrimination, no matter who they are. When cyberbullying poisons the atmosphere at school and has a negative impact on children’s peace of mind, it violates their right to an education. If we treat children as individuals with their own rights, they will eventually understand their responsibilities in society.

Cyberbullying may seem like an insurmountable obstacle, but the good news is that there are schools and communities that have managed to combat bullying by implementing the right programs and making the long-term commitment to change behaviour.

We have learned that punishments at school, such as suspension and expulsion, are not likely to result in real changes in behaviour.

[English]

Restorative justice approaches, rights respecting, and empathy-building programs are more likely to transform school and community cultures where cyberbullying is a problem. These success stories are exactly why it is imperative to share best practices and evidence-based assessments concerning anti-cyberbullying programs and policies across jurisdictions. They encourage us to believe that things can change for the better.

Student Katie Allen explained:

It is much easier to insult someone over texts or Facebook because you do not see that look of hurt and betrayal on their face.

Witnesses told us that punishments and courtrooms do not change that culture, but restorative justice and empathy-building programs can, so that is where our committee believes that the whole community should focus its efforts. Professor Shelley Hymel, Educational and Counselling Psychology at UBC, told the committee:

We need to stop thinking about bullying as a discipline problem and to start thinking of it as a teaching moment. The vast majority of schools today still rely on punitive methods

of discipline to make children who bully accountable for their behaviour. A more effective approach is to teach children to be responsible for their own behaviour through restorative practices and restitution practices that build empathy and help to make children who bully accountable for their behaviour.

• (2210)

Our committee learned that the teaching moment is absolutely essential, honourable senators. As Professor Hymel told our committee:

... at this point most children are considered to be in the pre-conventional stage of moral development, focusing primarily on what is it in for me. It is not that these children are immoral. Rather, our research is showing that these children are just beginning to understand the society as a social system where we have to work together and help each other.

Given that testimony and the testimony of so many other witnesses, honourable senators, our committee recommends a whole-of-community approach that emphasizes learning and prevention. The recommendations seek the participation of all members of the community. We recommend that the federal government work with provincial and territorial governments to establish a coordinated strategy to ensure the universality and equality of rights across Canada. We recommend that human rights education, digital citizenship and restorative justice initiatives form key components of that strategy so that students, parents and teachers can work together to prevent cyberbullying and promote positive relationships. We recommend that the government work with industry stakeholders to find ways to make the Internet safer for our children. We recommend that the federal government, together with the provincial and territorial governments, consider establishing a task force to define and monitor cyberbullying. Finally, honourable senators, we recommend that the government support research to improve our understanding of cyberbullying.

Our committee's findings and recommendations reflect a complex problem that requires the active participation of every member of the community, especially youth. To ensure that Canadians of all ages have access to the important knowledge we gained during the course of this study, we created two companion guides.

Honourable senators, I know I have kept you waiting here today. I was anxious to deliver this speech as I have heard from many senators who wanted to know about these two companion guides so that during the holidays they could speak to young people in their communities and share these guides. These guides will be online. One of these guides is for parents and caregivers and one is for youth.

It was important for our committee to learn from young people, to hear their stories. They told us that even though cyberbullying may be discussed in the media, no one was speaking directly with them.

The Hon. the Speaker: I regret to inform the honourable senator that her time has expired.

[Senator Jaffer]

Senator Jaffer: May I have an additional five minutes, please?

Hon. Senators: Agreed.

Senator Jaffer: Our committee wanted to share the report's findings directly with the young people from whom we heard and indeed with all young Canadians. We created for the first time in the Senate's history a companion guide to our report written specifically for youth. We also recognized an opportunity to speak directly with parents and caregivers to share our findings, so we produced a second companion guide that puts the report's finding in the context that is most relevant to them and that provides a tool for parents to initiate conversations with their children about cyberbullying. Our committee is very proud of these guides and we hope that they will be a useful resource for senators as they are travelling across the country, as well as for youth and parents.

Honourable senators, this study was a huge challenge and undertaking for our committee. I thank all committee members for their support; the deputy chair Senator Brazeau, Senator Andreychuk, Senator Ataullahjan, Senator Harb, Senator Hubley, Senator Ngo, Senator White and Senator Zimmer.

Honourable senators, we all recognize and appreciate that as senators we are part of the same team working to save Canadians. The work of our committee reflects on all senators, including those who are not part of the committee, so we thank you all for your support.

On behalf of the committee, I want to particularly thank the members of the steering committee of the Internal Economy Committee: Senator Tkachuk, Senator Furey and Senator Stewart Olsen, for their support in the production of our two companion guides. We also want to thank the members of the Subcommittee on Committee Budgets and International Travel: Senator Comeau, Senator Cordy and Senator Larry Smith, for their support and assistance in producing the two companion guides.

Honourable senators, I want to thank Daniel Charbonneau, and the clerk of the committee, and his assistant Debbie Larocque, for the yeoman's job they have done to produce the companion guides. We all know how much work is involved in producing only one report. They went further in ensuring that the two guides were also produced.

I also want to thank Julian Walker and Lyne Casavan, the committee's analysts, and the communications officer for our committee, Ceri Au, who went the extra mile. The companion guides were her idea.

By leveraging the Senate's institutional Twitter feed and by using the correct hashtags, which are subject matter identifiers enhancing the potential audience of a Twitter message, honourable senators, I am pleased to tell you that the committee was able to reach an audience of over half a million users. The children and parents' guides were also Ceri Au's idea. Thank you all for your support.

Before I conclude, honourable senators, I want to express the committee's gratitude and appreciation to the young people who shared their stories with us during the course of this

study. Thanks to Mr. Belsey and his class at Springbank Middle School in Calgary who presented to us on the public record. I thank all of the young people who appeared before us in a very courageous way, both in camera and in public. They made a great difference to our study.

DOCUMENTS TABLED

Hon. Mobina S. B. Jaffer: Honourable senators, I seek leave at this time to table the documents to which I have referred, *Cyberbullying Hurts: Respect for Rights in the Digital Age, A Guide for Parents* and *Cyberbullying Hurts: Respect for Rights in the Digital Age, Youth Guide*.

The Hon. the Speaker: Honourable senators, is leave granted for the tabling of the documents?

Hon. Senators: Agreed.

(On motion of Senator Carignan, debate adjourned.)

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

BUDGET AND AUTHORIZATION TO ENGAGE SERVICES AND TRAVEL—STUDY ON CURRENT STATE OF SAFETY ELEMENTS OF BULK TRANSPORT OF HYDROCARBON PRODUCTS— SIXTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the sixth report of the Standing Senate Committee on Energy, the Environment and Natural Resources (*budget—study on current state of safety elements of bulk transport of hydrocarbon products—power to hire staff and to travel*), presented in the Senate earlier this day.

Hon. Grant Mitchell moved the adoption of the report.

He said: This was passed unanimously in committee for consideration here today. The report embodies the budget for the Energy and Environment Committee to begin its funded study at the end of March on pipeline hydrocarbon transportation safety. It has been approved by the Internal Economy Committee. I would ask for the support of honourable senators.

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

Hon. Senators: Agreed.

(Motion agreed to and report adopted.)

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

BUDGET AND AUTHORIZATION TO ENGAGE SERVICES AND TRAVEL—STUDY ON ECONOMIC AND POLITICAL DEVELOPMENTS IN THE REPUBLIC OF TURKEY—TENTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the tenth report of the Standing Senate Committee on Foreign Affairs and International Trade (*budget—study on economic and political developments in the Republic of Turkey—power to hire staff and to travel*), presented in the Senate earlier this day.

Hon. A. Raynell Andreychuk moved the adoption of the report.

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

Hon. Senators: Agreed.

(Motion agreed to and report adopted.)

• (2220)

LITERACY

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Callbeck, calling the attention of the Senate to the importance of literacy, given that more than ever Canada requires increased knowledge and skills in order to maintain its global competitiveness and to increase its ability to respond to changing labour markets.

Hon. Daniel Lang: Honourable senators, in view of the time and due to the fact that I am still in the process of getting my notes together, I would move that we adjourn debate for the balance of my time.

(On motion of Senator Lang, debate adjourned.)

ABORIGINAL PEOPLES

COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT ON STUDY OF FEDERAL GOVERNMENT'S RESPONSIBILITIES TO FIRST NATIONS, INUIT AND METIS PEOPLES

Hon. Vernon White, pursuant to notice of December 6, 2012, moved:

That, notwithstanding the order of the Senate adopted on Thursday, June 16, 2011, the date for the final report of the Standing Senate Committee on Aboriginal Peoples in relation to its study of issues relating to the federal government's constitutional, treaty, political and legal responsibilities to First Nations, Inuit and Métis peoples and on other matters generally relating to the Aboriginal Peoples of Canada be extended from December 31, 2012 to December 31, 2013.

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

Hon. Senators: Agreed.

(Motion agreed to.)

NATIONAL FINANCE

COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT ON STUDY OF POTENTIAL REASONS FOR PRICE DISCREPANCIES OF CERTAIN GOODS BETWEEN CANADA AND UNITED STATES

Hon. Joseph A. Day, pursuant to notice of December 11, 2012, moved:

That, notwithstanding the order of the Senate adopted on Thursday, October 6, 2011, and Monday, June 11, 2012, the date for the presentation of the final report of the Standing Senate Committee on National Finance on its study of the potential reasons for price discrepancies in respect of certain goods between Canada and the United States, given the value of the Canadian dollar and the effect of cross border shopping on the Canadian economy, be extended from December 31, 2012 to March 28, 2013; and

That the committee retain all powers necessary to publicize its findings until 90 days after the tabling of the final report.

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

Hon. Senators: Agreed.

(Motion agreed to.)

THE SENATE

MOTION TO CELEBRATE AND RECOGNIZE THE SEVENTY-FIFTH ANNIVERSARY OF THE CORPS OF COMMISSIONAIRES NOVA SCOTIA DIVISION ADOPTED

Hon. Jane Cordy, pursuant to notice of December 12, 2012, moved:

That the Senate of Canada celebrate and recognize that January 24, 2013 is the 75th anniversary of the Corps of Commissionaires, Nova Scotia Division.

She said: Honourable senators, the Corps of Commissionaires, Nova Scotia Division, will be celebrating 75 years of trusted security for Nova Scotians on January 24, 2013.

On January 24, 1938, there were 20 commissionaires enrolled. During the next 75 years, Commissionaires Nova Scotia has become one of Nova Scotia's larger employers, with 1,700 commissionaires, and 1,200 of these commissionaires are Canadian Forces veterans. The commissionaires started out in 1938 with a temporary office in

the Halifax army barracks. It has grown so that there is now a network of locations serving the entire province of Nova Scotia. The office headquarters is in Halifax, with the training centre in Dartmouth. There are also district offices in Kentville, Truro and Sydney.

Honourable senators, veterans often continue to need employment and support as they transition into civilian life. Commissionaires Nova Scotia is a not-for-profit security company that seeks employment for veterans offering permanent, part-time and seasonal work at over 200 client sites in the province. The combination of quality services, training, professionalism and integrity has made the Corps of Commissionaires a trusted security party.

Over the past 75 years, thousands of security-minded commissionaires have answered the call to protect people, property and information across the province. The quality of the past and present members and their high standards of dependability, loyalty and trust have created a highly regarded reputation in the security sector.

I am pleased today to recognize and celebrate the upcoming seventy-fifth anniversary of the Nova Scotia Corps of Commissionaires on January 24, 2013. I would like to congratulate the corps and thank them for their service to Nova Scotia. I would like to thank Colonel Mike Brownlow, CEO of Commissionaires Nova Scotia, who is from Dartmouth, for the work that he has done with the corps and for telling me about their anniversary celebration.

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

Hon. Senators: Agreed.

(Motion agreed to.)

[Translation]

BUSINESS OF THE SENATE

Hon. Claude Carignan (Deputy Leader of the Government): Honourable senators, I move that the Senate now adjourn.

But, first, I would like to make special mention of the clerks at the table, the Speaker, the support staff, the interpreters and the stenographers who all had quite a long day. I would like to commend them and thank them for their work.

(The Senate adjourned until Friday, December 14, 2012, at 9 a.m.)

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