SENATE SÉNAT

CANADA

DEBATES OF THE SENATE

2nd SESSION • 41st PARLIAMENT • VOLUME 149 • NUMBER 133

OFFICIAL REPORT
(HANSARD)

Tuesday, April 21, 2015

The Honourable LEO HOUSAKOS
Speaker *pro tempore*

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

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Publications Centre: David Reeves, National Press Building, Room 926, Tel. 613-947-0609

Published by the Senate
Available on the Internet: http://www.parl.gc.ca

THE SENATE

Tuesday, April 21, 2015

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

Prayers.

SENATORS' STATEMENTS

WORLD INTELLECTUAL PROPERTY DAY

Hon. Joseph A. Day: Honourable senators, today marks the annual Parliament Hill reception in recognition of the importance of innovation in Canada. This is now a tradition observed by legislators in both houses of our Parliament. It is part of the continuing opportunity for informal discussions between intellectual property professionals and government officials. It is important that the recognition be held here given the paramount role of legislative initiatives which respond to the many intellectual property issues that affect Canadian public and private innovation programs.

April 26 is World Intellectual Property Day. It has been so declared by the United Nations agency, the World Intellectual Property Organization of Geneva.

Research and development are key to Canadian economic progress. Change is more and more rapid. Innovation frontiers keep expanding. Progress does happen, but progress is never finite. No matter how much we do, our ultimate goals will never be achieved. That is good, of course, since the search for knowledge is endless.

The universe is our learning curve. This is the reality of innovation focus. Our dedication to fostering the participation of Canadian youth in all aspects of innovation preparedness must be the essential or one of the essential preoccupations of our mandate and purpose.

Of course, it is not only appropriate but extremely relevant that at our annual reception on Parliament Hill we highlight science-related innovation of high school students. The *crème de la crème* of young Canadian students will be on display and student projects will be showcased, having been the most outstanding ones at the science fairs in the Ottawa-Gatineau region. I know that you will be in awe of the students' explanations of their projects, as we have been in the past. Each year our amazement grows and our Canadian pride swells when the content of these projects is explained by the students.

An important bill for the innovation and intellectual property community passed both houses of Parliament in the past year. I refer to Bill C-8, the Combating Counterfeit Products Act, which amended two of Canada's cornerstone intellectual property protection statutes: the Trade-marks Act and the Copyright Act.

This bill was studied by the Senate Banking Committee, where several aspects were highlighted by the leaders of the intellectual property community. As a result, the Senate committee asked the government —

The Hon. the Speaker *pro tempore***:** Order.

The Honourable Senator Lang.

WORLD WAR I

NINETY-EIGHTH ANNIVERSARY OF BATTLE OF VIMY RIDGE—ONE HUNDREDTH ANNIVERSARY OF SECOND BATTLE OF YPRES

Hon. Daniel Lang: Honourable senators, one of the sacred privileges I most humbly enjoy as the Senator for Yukon and as the Chair of the Standing Senate Committee on National Security and Defence is at times like these, to rise and proclaim our gratitude and solemn pride we as Canadians hold for our valiant fallen and all veterans.

There are dates not just in November, but more often, that inspire us to rise in reflection, honour and remembrance. Two of these dates stand out: April 9, which marked the ninety-eighth anniversary of Vimy Ridge, and tomorrow, April 22, which marks the one hundredth anniversary of the Battle of Ypres.

On April 22, 1915, at 5 p.m., almost 100 years ago, the Germans released gas for first time in the Great War. The enormous green-yellow gas cloud, several kilometres long, drifted towards the French lines to the left of the Canadians.

On April 24, and for the second time, the Germans used chlorine gas, this time making a direct hit on the Canadians at Ypres.

The Canadians counterattacked, buying precious time and earning a reputation as tough and dependable troops, all the while paying a heavy price, with 6,000 casualties over the four-day battle.

Just two days ago in London, England, wearing a white-gold and diamond brooch, fashioned in the shape of the cap badge of the regiment for which she serves as Honorary Colonel-in-Chief — the Calgary Highlanders — our own Queen, Her Majesty Queen Elizabeth II, along with their Royal Highnesses, the Duke of Edinburgh and Princess Alexandra, attended a ceremony at Canada House to pay tribute to the Calgary Highlanders, the Royal Hamilton Light Infantry and the Canadian Scottish Regiment as they marked the hundredth anniversary of the Second Battle of Ypres.

Many of our veterans who fought so bravely at Ypres went on to fight at Vimy Ridge and helped, through their gallantry and sacrifice, to claim victory and secure our freedoms.

Closer to home, Yukon's Boyle Machine Gun Battery, formed at the break of the Great War, saw 35 Yukoners leave Dawson City aboard the steamer *Lightning* from Whitehorse, then Vancouver. After taking two years to reach the battlefields of France, the Yukoners were soon engaged in one major battle after another: Courcelette; Vimy Ridge; Passchendaele; the German offensive of March, 1918; Amiens; and Canal du Nord.

In paying tribute to Canadians who fought at Vimy Ridge, His Majesty George V messaged the following to Field Marshal Sir Douglas Haig, on April 10, 1917:

> The whole Empire will rejoice at the news of yesterday's successful operations. Canada will be proud that the taking of the coveted Vimy Ridge has fallen to the lot of her troops. I heartily congratulate you and all who you have taken part in this splendid achievement.

There is an expression, made especially popular during the year of the Great War, that "Old Soldiers never die, they simply fade away." Lest our efforts fail us, neither will we allow those at rest where they fell the indignity of fading away, nor those blessed to return to stop giving voice for those who could not.

At this important anniversary and always, we shall remember them. God save the Queen.

KITSILANO COAST GUARD BASE

Hon. Larry W. Campbell: Honourable senators, I'd like to read to you a letter addressed to the Right Honourable Prime Minister Stephen Harper:

> Dear sir:
>
> My name is Sara Kalis Gilbert. My father, Captain Pieter Kalis, worked in the Canadian Coast Guard for many years, beginning in 1959, he retired in the mid-eighties. He worked on the weather ships, the ice breakers, captained the CCGS *Skidegate* through the Northwest Passage, in 1975, . . . and rounded out his career as Master of the CCGC *Rider* out of the Kitsilano Coast Guard base. He was lauded for his abilities and many of his crew members attribute their career advancements and skills to the example he set.
>
> As a child, I heard the harrowing stories of rescue at the supper table, I heard the commentary regarding the lack of much-needed repairs and seaworthy vessels; but mostly, I heard the dedication and the desire to serve a country that he dearly loved. He was originally from the Netherlands but became a Canadian citizen with much pride. My father dedicated, and often risked, his life to aid others and to protect our environment.
>
> He passed away a year ago, and is no longer able to carry the torch to rally for the retention of vital services in the Pacific Region. I am taking up that torch.
>
> I realize that government cutbacks are a necessity. I realize that even small cuts, if there are enough of them, make a difference to the overall budget. I don't understand why these cuts have to be in the form of consolidation and closure of Search and Rescue facilities; . . .
>
> The Kitsilano Coast Guard base required approximately $700,000 annually to function. With an increase of shipping traffic expected, the necessity of having a base there increases exponentially. Further consolidation of communication bases in the Coast Guard (the closing of the Vancouver-based communication base has a direct view over the harbour and can see what cameras' blind spots cannot will close in May) is also alarming.
>
> At the recent oil spill in English Bay is a prime example of the requirement for a base to be located at Kitsilano. Response would have been immediate and equipment was at the ready.
>
> The buildings remain intact. The public outcry is growing. I understand that you have stated that discussion of this matter is closed. It is my opinion that a leader should be open to reviewing a decision if circumstances change.

And they have most certainly changed on the West Coast. The letter continued:

> In honour of my father's memory, and all that he did in service to his country, I ask that you reconsider your decision. I know it would show the people of Vancouver, and indeed, British Columbia, that our concerns are yours.
>
> Sincerely and respectfully yours,
>
> Sara Kalis Gilbert.

• (1410)

MARK SAUNDERS

CONGRATULATIONS ON ELEVATION TO CHIEF OF TORONTO POLICE SERVICE

Hon. Don Meredith: Honourable senators, I rise today to acknowledge Deputy Chief Mark Saunders, who has been named Toronto's new Chief of Police. Mr. Saunders is the first Black chief of Jamaican heritage to oversee the Toronto Police Service, one of Canada's largest police agencies.

As a fellow Jamaican, I believe that Mr. Saunders will make a great chief of police who will be committed to public safety and working with the community to keep the Greater Toronto Area safe and livable.

Over his 32-year policing career, Mr. Saunders has provided fair and equitable police service to all and has contributed greatly to various diversity and community safety initiatives. He is the Co-Chair of the Canadian Association of Chiefs of Police Organized Crime Committee; participates as a mentor of the

Black Community Consultative Committee; and was chosen by former Toronto Chief of Police William Blair, whom I had the privilege of working with, to be a contributing author to the *Police and Community Engagement Review*, the PACER report. His passion for policing is evident through his work on the force as he played an integral role in the creation of an investigative cybercrime unit called C3, which was developed in order to maximize the use of technology in policing.

Mr. Saunders is also a recipient of many awards, including the Officer of the Order of Merit of the Police Forces, the Queen Elizabeth II Diamond Jubilee Medal for Outstanding Community Contributions and the Black Canadians Award for Public Service.

I must also acknowledge Deputy Chief Peter Sloly, another Jamaican-Canadian and candidate for the role of Toronto Police Service Chief of Police. Deputy Chief Sloly has made great contributions to the force and the Black community over his 25-year policing career.

Honourable senators, we must continue to shine a light on the men and women from diverse communities who make positive and valuable contributions to the nation. Through my work on the National Youth Strategy, youth anti-violence initiatives and working with the Black community, I want to continue to promote safe communities and find solutions to end youth and gun violence not only in the Greater Toronto Area but also across this great country.

Honourable senators, please join me in congratulating Chief Saunders on his accomplishment and wishing him well in his new role.

ABDUCTION OF WOMEN AND GIRLS

Hon. Mobina S. B. Jaffer: Honourable senators, on April 14, 2014, the world looked on, outraged and heartbroken, as we heard that more than 200 young girls were kidnapped by Boko Haram in Nigeria. Out of these girls, fewer than 50 have managed to escape. I shudder to think what has happened to the rest of them. It is now one year, 365 days and more, since the girls were abducted.

Sadly, this atrocious act by Boko Haram does not stand alone. In our own nation, over 1,000 Aboriginal females have been taken from under our watch. To date, as known and reported by the RCMP in 2014, over 1,000 Aboriginal Canadian women and girls have gone missing or been murdered. We know as fact that mostly women and girls are trafficked. The women and girls who are most vulnerable come from fragmented socio-economic backgrounds. In Canada and around the world, they are the most vulnerable members of our world. Instead of our lending them the support they need, the women and girls fall prey to the most merciless fates; and we know the trend: They will be targeted simply because they are vulnerable and because they are female. Yet, as a society and as a government, we fail to protect them.

Honourable senators, as the one-year mark of the Nigerian schoolgirls' kidnapping passes, I've been reflecting deeply on that and similar incidents. Though the abduction and kidnapping of women and girls happens mostly in different countries and is executed by different actors, these events are not disconnected. They are not random. We see this happening at home and around the world. We are allowing our most vulnerable members to be targeted, trafficked, abused, used, traded and forgotten. We are failing them. I worry about the message it sends to our children and grandchildren. Being born into vulnerable circumstances should not determine one's fate in life. Every child should have a fair shot at a life filled with rights — a right to speak their mind, a right to be educated and a right to live with dignity.

Honourable senators, it is our responsibility as legislators to protect these rights. I hope that we are able to expand our moral imaginations and find a sustainable solution for these issues. Let us attempt in Canada and around the world to protect women and girls. That is our collective responsibility. Let us collectively not forget the 200 Nigerian girls abducted by Boko Haram. They are also our girls.

VISITORS IN THE GALLERY

The Hon. the Speaker *pro tempore***:** Honourable senators, I wish to draw your attention to the presence in the gallery of a parliamentary delegation led by His Excellency Fazal Hadi Muslimyar, Speaker of the House of Elders of the Islamic Republic of Afghanistan.

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

Hon. Senators: Hear, hear!

ROUTINE PROCEEDINGS

PAYMENT CARD NETWORKS ACT

BILL TO AMEND—NINTH REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE PRESENTED

Hon. Irving Gerstein, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Tuesday, April 21, 2015

The Standing Senate Committee on Banking, Trade and Commerce has the honour to present its

NINTH REPORT

Your committee, to which was referred Bill S-202, An Act to amend the Payment Card Networks Act (credit card acceptance fees), has, in obedience to the order of reference of Tuesday, March 25, 2014, examined the said bill and now reports as follows:

Your committee believes there is a necessity to have fairness in the realm of credit card acceptance fees. Lower fees can reduce the burden on merchants, especially those of small and medium sized businesses.

Your committee understands the motives underlying Bill S-202's approach and applauds the bill's sponsor for her commitment in bringing the bill before Parliament and for her valuable contributions to your committees' deliberations.

Pursuant to rule 12-23(5), your committee recommends that this bill not be proceeded with further in the Senate for the reasons that follow.

In 2010, a Code of Conduct for the Credit and Debit Card Industry in Canada was released by the government to promote merchant choice, transparency and fairness in the credit market. The government was confident that industry would adopt the code voluntarily, which it did. The Minister of Finance, at the time, also indicated that the government maintained the legal authority to regulate the industry if necessary.

Appearing before the committee, Department of Finance officials reiterated the support that merchants and merchant associations expressed with the implementation of the Code of Conduct.

On November 4, 2014, Visa and MasterCard submitted separate and individual voluntary proposals to the Department of Finance committing to: reduce their respective credit card interchange fees for consumer cards to an average effective rate of 1.50% for a period of five years, ensure that all merchants receive a reduction in credit card fees, provide a greater reduction for small and medium sized enterprises and charities, and require annual verification by an independent third party to ensure compliance.

As changes to the Canadian credit card industry are continually unfolding in a voluntary manner, it is the opinion of the majority of the committee that government intervention is unnecessary at this time.

Respectfully submitted,

IRVING GERSTEIN
Chair

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

Senator Gerstein: I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

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

Some Hon. Senators: Yes.

Some Hon. Senators: No.

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

Some Hon. Senators: Yea.

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

Some Hon. Senators: Nay.

The Hon. the Speaker *pro tempore*: Clearly, the yeas have it.

An Hon. Senator: On division.

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

• (1420)

VISITOR IN THE GALLERY

The Hon. the Speaker *pro tempore*: Honourable senators, I draw your attention to the presence in the gallery of Mr. David Schwartz, President of the Intellectual Property Institute of Canada, who is the guest of the Honourable Senator Day.

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

Hon. Senators: Hear, hear!

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Richard Neufeld: Honourable senators, with leave of the Senate and notwithstanding rule 5-5(a), I move:

> That the Standing Senate Committee on Energy, the Environment and Natural Resources have the power to sit at 5:00 p.m. on Tuesday, April 21, 2015, even though the Senate may then be sitting, and that Rule 12-18(1) be suspended in relation thereto.

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

Hon. Senators: Agreed.

Hon. Joan Fraser (Deputy Leader of the Opposition): Would Senator Neufeld be willing to explain why he's making this request?

Senator Neufeld: Certainly, I would be happy to. We're trying to complete a study by the time the house rises in June, and tonight we have two video conferences that we've been trying to have for a while. One is from Yellowknife and the other one is from Falkenberg, Sweden. We make the request because of their time frames and how we can work it out.

I hope that answers your question.

Senator Fraser: Our side will not deny leave, but I would like to observe that it is possible for committees to schedule witnesses at times when the Senate is not sitting. We have a habit of making an exception for ministers, whose timetables are hard for us to control, but the timing of witness hearings other than for ministers is entirely within the power of a committee to control. I think we are slipping into an assumption that we can just dispense with the rules when it seems convenient, and I don't actually like that. But, as I said, on this occasion I shall not deny leave.

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

Hon. Senators: Agreed.

(Motion agreed to.)

[*Translation*]

QUESTION PERIOD

NATIONAL REVENUE

TAX EVASION

Hon. Céline Hervieux-Payette: My question is for the Leader of the Government in the Senate. On February 24, I asked you whether your government intended to prohibit Canadian banks from doing business with offending countries that shelter tax havens, and you said that your government's record on fighting tax evasion was excellent, which was not the point of my question and remains to be seen. Nonetheless, current events may give you the opportunity to illustrate your claims.

HSBC Bank, which we are hearing a lot about, has been making headlines these past few years for stealing some $242 billion from many governments in just six months, from November 2006 to March 2007. On March 13 of this year, we learned that France's financial public prosecutor recommended that HSBC's Swiss subsidiary face criminal trial for aggravated money laundering, tax fraud and unlawful solicitation. Negotiations between France and HSBC over a $1.88 billion fine went nowhere.

Belgium is also taking criminal proceedings against the bank. Switzerland has launched an investigation into the bank for aggravated money laundering. Argentina filed a complaint for tax evasion, and I would remind you that HSBC agreed to pay a $1.9 billion U.S. fine to our neighbours, the Americans, for money laundering.

On February 12, CBC reported that the Canada Revenue Agency and Revenu Québec had recovered a paltry $63 million in stolen taxes from 1,859 individuals, Canadian citizens, and companies who used HSBC's Swiss subsidiary.

My question is the following: Can you tell us whether the Government of Canada has negotiated with HSBC in order to recover the money that was stolen from Canadians? If so, for how much money? Is your government planning to investigate, if it hasn't already started? Would the government be prepared to take criminal proceedings against this bank, which doesn't have such a good reputation right now?

Hon. Claude Carignan (Leader of the Government): As you mentioned, I have always emphasized the important work our government is doing to combat tax evasion. I don't want to comment on specific situations, but we will keep working to make sure that people who work hard and pay their taxes are respected in the process.

Senator Hervieux-Payette: Mr. Leader, I understand that you don't have the ongoing investigations right there in front of you and that you don't know whether the government is planning to recover large sums of money from HSBC, but I have a few other little questions about collecting tax revenue that would help balance Canada's budget.

Recently, the *Journal de Montréal* reported that following a four-year investigation, France is about to charge the Royal Bank of Canada with complicity in tax fraud and money laundering to the tune of at least $823 million. That's a lot of money. Apparently RBC's Bahamas subsidiary allowed a French billionaire to shelter his fortune from the taxes normally levied by the French state.

As it happens, Mr. Leader, on February 24, I asked you about the role played by Canadian banks in the Caribbean, and I reminded you that Canadians are being robbed of some $8 billion every year in unpaid taxes. That's according to Canadians for Tax Fairness. At the time, I asked you if your government truly wanted to combat fraud and if it planned to strike a royal commission or some other investigative mechanism to shed light on these activities.

You replied that your government had taken 85 measures to strengthen fiscal integrity. No need to go over them all. However, there is one measure that your government never took. Unlike France, Belgium, the United Kingdom and the United States, your government never conducted an investigation or charged the people responsible for the financial crisis of 2008, which involved money laundering and tax evasion. The victims? Canadians — all 35 million of us.

In light of the recent revelations about the activities of the Royal Bank in the Bahamas, will your government order a public inquiry or conduct an investigation into the role Canadian banks play in tax havens?

Senator Carignan: Senator, as you pointed out, we have introduced more than 85 measures to improve the integrity of the tax regime since 2006, including the mandatory reporting of international electronic funds transfers of more than $10,000 to the Canada Revenue Agency.

I would like to remind you, as I did on another occasion in February, that you voted against each one of these measures.

I also learned that the agency received more than 9,000 voluntary disclosures of offshore assets in the current fiscal year, compared to approximately 1,158 disclosures in the last year of the Liberal government's term. That proves that we are cracking down more than ever on tax fraudsters.

• (1430)

I would also like to remind you that Economic Action Plan 2013 provided for investments of $30 million, which allowed the Canada Revenue Agency to implement a variety of new tools, including the Offshore Compliance Division, the Offshore Tax Informant Program and an improved Foreign Income Verification Statement form.

Senator, I listened to you very carefully. I listened carefully to your question, and I must say that your implication that nothing has been done is completely false.

Senator Hervieux-Payette: On February 19, 2015, *La Presse* revealed that France gave the Government of Canada 1,349 bank records of Canadians with accounts in HSBC's Swiss subsidiary. Of this total, 394 accounts were deemed to be high-risk, high-dollar accounts. Can you tell us how much money we are talking about and how much money has been recovered in relation to the records that France gave to Canada?

Senator Carignan: Senator, what I can tell you is that from 2006 until March 31, 2014, the Canada Revenue Agency audited over 8,600 international tax cases and identified over $5.6 billion in unpaid taxes, which we are in the process of collecting.

Senator Hervieux-Payette: I would like to remind you that in that same article, the reporter from *La Presse* indicated that HSBC's alleged fraud finances terrorism. Perhaps that hits a nerve. Will Conservative Bill C-51 at least cut off terrorists' revenues by cracking down on tax fraud, tax havens and money laundering? I invite you to read the report of the Standing Senate Committee on Banking, Trade and Commerce, a committee where your colleagues hold a majority. This report clearly shows that Canada is not recovering enough money from pure and simple tax evasion and that while Canada could be collecting billions of dollars each year, we are not even collecting $100 million.

Senator Carignan: Senator, Bill C-51 is being studied in the other place and it is the subject of a pre-study here by the Standing Senate Committee on National Security and Defence. We will have an opportunity to debate it once it passes in the other place. You will see that like all of the measures our government takes, especially when it comes to matters of security, it is a comprehensive bill that deals with different aspects of the fight against terrorism, and I hope you will vote in favour of the bill.

Senator Hervieux-Payette: In a more recent incident involving renting space in a school, I learned directly from people on the school board that when someone came to rent space, they offered to pay $200,000 in cash for a meeting room on weekends. Are you making sure that banks are complying with the policy whereby they have to report any cash transactions of $10,000 or more? It is rather strange for someone to show up with $200,000 in cash to rent some space in CÉGEPs in Quebec, something that no other organization would do even to pay for a monthly lease, and for nobody to ask any questions. Are you looking into this matter?

Senator Carignan: Senator, I understand that you have a list of questions. I would also invite you to listen to my answers. As I said earlier, since 2006, our government has introduced more than 85 measures to improve the integrity of the tax regime. In fact, you even quoted from an answer I gave you in February. One such measure is the mandatory requirement to report international electronic funds transfers if they exceed $10,000. As you know, even when it is not a question of an electronic transfer, if someone is walking around with a suitcase containing over $10,000, they also have to declare that.

Senator Hervieux-Payette: I will put an end to the agony of my questions by telling you that if you read the report of the Standing Senate Committee on Banking, Trade and Commerce on money laundering, you will see that the staff do not work together and that all of the players involved in this issue and the means of communication are not coordinated, whether we are talking about the RCMP, FINTRAC, the Department of Finance or Revenue Canada. Right now, when hundreds of employees are being cut in these departments, we cannot expect the work to be done effectively if the human resources are not there.

With respect to your 85 measures, how many employees did the government add to combat money laundering?

Senator Carignan: I can assure you, senator, that this isn't agony. Your questions are rather predictable, but this is in no way agonizing.

As for HSBC — I thought you were going to ask a more specific question — the Canada Revenue Agency received 1,349 HSBC files from French authorities. Of these files, 154 were duplicates, 801 did not contain any funds and 394 were deemed to be high risk or likely to contain significant funds. The Canada Revenue Agency audited hundreds of files suspected of non-compliance. This brought in $21 million in taxes and fines. Senator, the work is ongoing. The Canada Revenue Agency has received more than 250 voluntary disclosures regarding HSBC bank accounts, which represents $123 million in taxes on unreported income. I think that's a more specific answer to your general question.

[*English*]

ANSWERS TO ORDER PAPER QUESTIONS TABLED

FINANCE—FINANCIAL CONSUMER AGENCY OF CANADA

Hon. Yonah Martin (Deputy Leader of the Government) tabled the answer to Question No. 5 on the Order Paper by Senator Callbeck.

VETERANS AFFAIRS—WAR VETERANS ALLOWANCE PROGRAM

Hon. Yonah Martin (Deputy Leader of the Government) tabled the answer to Question No. 26 on the Order Paper by Senator Downe.

ORDERS OF THE DAY

RED TAPE REDUCTION BILL

THIRD READING

Hon. Douglas Black moved third reading of Bill C-21, An Act to control the administrative burden that regulations impose on businesses.

He said: Honourable senators, I am pleased to have this opportunity to speak in support of the red tape reduction act.

This bill shows that the federal government recognizes the important contribution made by small business across the country and the challenges entrepreneurs and small business owners face. That's why this piece of legislation enshrines the government's one-for-one rule into law in order to control the amount of administrative burden that federal regulations impose on business.

During hearings at the national finance committee on this bill, organizations representing small and medium-sized businesses not only applauded the goals of this bill but in fact asked for further changes to cut red tape. And who can blame them? As our colleague Senator Massicotte said during his second reading speech on the bill:

> . . . it's hard to find fault in our plea for simpler rules, swifter bureaucratic decisions, government websites that a normal person can navigate and officials who actually answer the phone.

Senator Massicotte couldn't be more right.

• (1440)

We all know that red tape takes a company's focus and energy away from doing what it does best — creating jobs and economic growth. By enshrining the one-for-one rule into legislation, our government will continue to shift the culture of the public service so that all regulations will constantly be under review and scrutiny to ensure they are needed. This will allow us to create a regulatory environment where Canadian businesses can be innovative while expanding and creating more jobs.

Let me give you just one example of how the government is already cutting red tape. Statistics Canada has amended regulations under the Corporations Returns Act that are used to collect financial and ownership information on corporations that do business in Canada. With these changes, now only corporations with revenues of more than $200 million, assets over $600 million, or foreign debt and equity over $1 million have to report financial and ownership information. As a direct result, more than 32,000 businesses are no longer required to file this complex government return. We expect this to reduce the administrative burden by about $1.2 million a year.

Honourable senators, this is only one example of how the one-for-one rule has proven its worth.

As of June 2014, the rule has resulted in a net annual reduction of over $22 million in administrative burden on businesses, an estimated annual savings of 290,000 hours in time spent dealing with regulatory red tape, and a net reduction of 19 federal regulations; and we're just getting under way.

Honourable senators, enshrining the one-for-one rule into law is the right thing to do. It's the right thing to do for small businesses and it's the right thing to do for Canada's prosperity.

Hon. Paul J. Massicotte: Honourable colleagues, today I again have the pleasure of speaking to you as the opposition critic for Bill C-21, An Act to control the administrative burden that federal regulations impose on businesses, also known as the "Red Tape Reduction Act." This bill would enshrine into law the one-for-one rule which requires the government to seek an equal reduction of regulatory burden for every new administrative cost from new or amended regulation that it proposes.

[*Translation*]

As you well know, I support in principle this bill, which limits the administrative burden imposed by federal regulations on Canadian businesses.

[*English*]

Yet, what we must understand is that the heavy burden of regulatory administrative costs in Canada inhibits the ability of our businesses to be competitive on the national and global markets. It is affecting their capacity to create jobs, invest, innovate and survive in the long term by taking away essential time and resources to comply with regulations, most of which have not been reviewed for some time to determine their ongoing validity and purpose.

[*Translation*]

When regulations are created or maintained, the hidden costs to businesses are often neglected. The Canadian Federation of Independent Business estimates that in businesses with fewer than five employees, one employee spends more than a month, 185 hours a year, meeting regulatory requirements. For the average business, that represents 105 working days a year. Since these costs and the resulting higher prices are passed on to society in general, we have to understand that the burden of our laws and our regulations is often more harmful to the economy than a new tax or direct charges would be.

[*English*]

Is this bill necessary? Yes, I believe it merits the support of Parliament by enshrining the act into legislation. As mentioned by testimonials and witnesses during the Senate committee study, the one-for-one rule would be anchored at the federal level and thus, hopefully, launch a culture change within all levels of government. We need a system in place to modernize our regulations and take into consideration the dynamic nature of our landscape. What was necessary in the past does not necessarily apply today.

We heard from many stakeholders and expert witnesses that this bill is a step in the right direction. However, it is evident that more needs to be done in order to truly reduce administrative burden and not simply put a cap on existing regulations. An exemplary achievement occurred at the provincial level in British Columbia, where the government decided to implement a similar five-for-one rule over a decade ago and has since moved to a one-for-one ratio in order to maintain a healthy level of compliance requirements, all of which have not harmed the health or environmental protection of Canadians.

[*Translation*]

As I mentioned in my speech when the bill was introduced, the World Economic Forum gave Canada a mediocre score of 3.8 out of 7 in its analysis of government bureaucracy. Canada ranks 39th out of 144 countries, lagging behind a number of developed countries, including Switzerland, Sweden and the United Kingdom. This is a clear indication that those countries have taken measures in order to maintain a competitive global position, while Canada has lost ground. It is therefore important to move forward with some of the other initiatives identified by the Red Tape Reduction Commission, such as the Small Business Lens, the publication of forward plans and service standards for the timely issuance of high-volume licences, certifications and permits in order to achieve the targeted results.

Furthermore, this bill should extend its coverage to include the legislative burden as well as the burden generated by tax administration related to income tax and sales tax. This has been cited many times by the Canadian Council of Chief Executives and the Chartered Professional Accountants of Canada as one of the most important issues for businesses. However, the tax burden is excluded from the mandate of this legislation. The Canadian tax system urgently needs to be reformed. For instance, the Income Tax Act is becoming more and more complex and layered and has grown by 208 pages or nearly 10 per cent in the past two years alone. It is unbelievable. It is becoming a costly burden for all Canadian businesses, regardless of their size.

[*English*]

Since June 2014, the Treasury Board has reported a reduction of $22 million of administrative burden on businesses and the abrogation of 19 regulations through the implementation of the one-for-one rule. Is this a substantial amount considering the magnitude of our regulatory system? I believe we can do much better and hope this new legislation will be the starting point for a much-needed culture change in the way that our government interacts with businesses to create or amend regulations, one which stimulates our economy and creates jobs rather than hindering its growth.

[*Translation*]

In closing, I believe this bill is a step in the right direction. It will serve as a springboard for other complementary initiatives to really reduce red tape for Canadian businesses. I therefore urge you to support the bill.

[*English*]

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

Hon. Senators: Question.

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

Hon. Senators: Agreed.

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

[*Translation*]

VICTIMS BILL OF RIGHTS BILL

BILL TO AMEND—THIRD READING—DEBATE ADJOURNED

Hon. Pierre-Hugues Boisvenu moved third reading of Bill C-32, An Act to enact the Canadian Victims Bill of Rights and to amend certain Acts.

He said: Honourable senators, let me start with just one word: finally.

Finally, we are just a few days away from recognizing the fundamental rights of victims of crime across Canada, rights that will be enshrined in a bill of rights, the Victims Bill of Rights.

• (1450)

Why should we question the passage of this bill of rights?

You are aware that the Canadian Charter of Rights and Freedoms was entrenched in the Constitution in 1982. You also know that this Charter gave criminals and alleged criminals rights

that increasingly worked in their favour. Recently, in legal proceedings in Quebec, such serious charges as murder and accessory to murder against nearly 40 criminal biker gang members were dropped because of undue delays.

Unfortunately, the Charter of Rights and Freedoms was never designed to take victims' rights into account in the legal process. It is almost impossible to amend even one section of the Charter of Rights and Freedoms. That is why it is urgent that we pass a bill of rights for victims of crime.

[*English*]

Honourable senators, by adopting Bill C-32, you will be honouring victims' rights over criminals' rights. You will be the first legislators in our short history to pass such a momentous piece of legislation addressing victims of crime. You will be shaping our country and leaving an important legacy for future generations.

[*Translation*]

Honourable senators, for 10 years I have been in contact with victims of crime and their families on a daily basis. I hear the following questions quite often: "Senator Boisvenu, in our justice system, why do criminals have more rights than victims? Why aren't our rights recognized by Canadian laws?" It used to be that my answer was always the same: "Unfortunately, that is the nature of the justice system."

Over the years, the system has basically been modelled on the major principles found in the Canadian Charter of Rights and Freedoms and victims have never had a place in it. However, since the introduction of Bill C-32, I have started giving them more satisfactory answers.

The Legal and Constitutional Affairs Committee heard a great deal of eloquent testimony. I would like to recognize today the excellent work done by Sue O'Sullivan, the ombudsman for victims of crime, and her team. She suggested a number of amendments to Bill C-32 in order to ensure that victims have a better place in our justice system.

Obviously, I share the opinion that this bill of rights is not an end in itself but rather a beginning, or a big first step in giving victims of crime a more important and more visible place in our justice system. This will force professionals working in this field to begin to change their mindset. Whether it is police officers, prosecutors, judges or any other stakeholder working in federal institutions, they will all have a fresh outlook.

In the past few weeks, victims and their loved ones gave emotional and extremely heartfelt testimony on a difficult subject. They explained how they had to fight every day to be heard, better informed and considered with respect and dignity. Ms. Lindfield, a witness whose son was murdered, explained how important it would be to ensure that judges and Crown prosecutors have the proper training when it comes to taking victims' experiences into account, as soon as the victims bill of rights came into effect.

Dale Sutherland, a witness who was sexually abused by an adult when he was a teenager, shared his great frustration about how his voice was not heard and about the lack of support he received during the court proceedings. He added that, unfortunately, the man who abused him was listened to more closely and had more attention paid to him. It was only a decade later that the justice system believed Mr. Sutherland and supported him so that criminal charges could be laid against his abuser.

We also heard from Sharon Rosenfeldt, whose son Daryn was sexually assaulted and murdered in 1981. Since then, she has been actively advocating for the rights of victims in Canada. The very first thing she said about the bill of rights was, and I quote, "We will have to be patient. It will be a long process." She also explained how the meaning of the word "dignity" with respect to victims has changed in Canada since her son was murdered. She is thrilled that the very foundation of the bill of rights is built on respecting the dignity of victims of crime.

We must respect and commend these witnesses for the courage and strength they demonstrated in sharing a personal tragedy with us and for doing so with such dignity. I sincerely thank them.

Honourable senators, I want to assure victims of crime and their families that the bill you are being encouraged to support is not an end in itself. This bill will create the Canadian Victims Bill of Rights. It is the key that will open the justice system up to victims and make them full participants. I want to repeat that this bill of rights will be essential and that it will now be up to victims to take their rightful place. This bill of rights will evolve positively over time if victims exercise and claim these new rights. They must also file complaints with the courts if their rights are not respected, as the bill stipulates.

In the coming years, we will see Canadian victims more present, better integrated and more active in their justice system.

[*English*]

Honourable senators, I would like to thank each of the members of the Standing Senate Committee on Legal and Constitutional Affairs for listening so closely to the testimony of victims and their loved ones and for showing empathy for the tragedies they have experienced.

[*Translation*]

I must also acknowledge the outstanding job done by the Minister of Justice and the Minister of Public Safety in their consultations, not to mention the unbelievable work accomplished by the Prime Minister, who always championed this bill.

This week is National Victims of Crime Awareness Week. This year's theme is "Shaping the Future Together." We will see victims' organizations getting involved all across the country. Victims will share their often difficult experiences with our justice system.

Honourable senators, I urge you to wholeheartedly support Bill C-32 and help victims of crime shape the future of their rights by giving them their very own bill of rights.

Hon. Ghislain Maltais (Acting Speaker): Senator Jaffer would like to ask Senator Boisvenu a question. Will the Honourable Senator Boisvenu take a question?

Senator Boisvenu: Of course.

[*English*]

Hon. Mobina S. B. Jaffer: Senator Boisvenu, you thanked everybody else, but I must at this point also recognize the work that you do on this issue, not just with this bill but on a continuous basis. I know I speak for all of us. We want to thank you for your work on this issue as well.

Some Hon. Senators: Hear, hear.

Senator Jaffer: Senator Boisvenu, you and I serve on this committee together. You know that when we had the victims in front of us the whole committee was with the victims and that we do want to do something for victims.

But I am very concerned that we are raising the expectations of victims. This is the first process, but this charter still has a lot of work to do. One of the things that really concerns me is that when the victims were leaving, there was this impression that there would be restitution. I may be wrong, because I have not worked on the bill as much as you have, but it is my impression that the restitution that the victims would get is for their bus fare or for staying at a hotel before the trial. They would not get the compensation that they really deserve for pain and suffering. For that they would need another trial. Am I correct on that?

[*Translation*]

Senator Boisvenu: One of my greatest hopes when it comes to helping victims in Canada is to see victims at the provincial level receive equal treatment from the legal system.

Unfortunately, as we know, some better-off provinces treat their victims better than others. I'm thinking of Ontario, Quebec, British Columbia, your province, and Manitoba, where victims receive benefits and compensation that I feel are adequate. However, there are provinces where victims receive no benefits or psychological support.

The surcharge bill was amended last year. Some provinces collect significant amounts from the surcharge and use that money to pay for roads and other kinds of expenses. I urge the provinces to improve their victims assistance programs because that is their primary responsibility.

• (1500)

In 2013, we adopted the first financial assistance measure for victims by extending eligibility to the families of murdered or missing victims. We grant up to 50 per cent of the financial compensation. That is a first in Canada. This measure is for all victims in Canada, no matter which province they live in.

If I have understood your question, I believe that judges will have discretionary power in applying this restitution. Crown prosecutors will have to do due diligence when arguing for fair and equitable restitution.

We still have work to do in order to lessen the burden of crime in Canada, which costs $100 billion a year, 90 per cent of which is borne by victims. There is still a great deal of work to be done.

I would like to thank you for your kind words.

This bill of rights is a key that will open the door for victims of crime. I am convinced that in 10 years' time the rights of victims will have evolved as much as the rights of offenders evolved with the Charter of Rights and Freedoms. This is just the beginning.

[*English*]

Hon. Denise Batters: Would the senator take a question?

Senator Boisvenu: With pleasure.

Senator Batters: My understanding, but please correct me if I'm incorrect, is that the damages that Senator Jaffer was just referring to, those types of damages that are allowed by the victims bill of rights, are pecuniary damages, which we talked about in our hearings, which are easier-to-calculate damages. We gave the example in the clause-by-clause hearings of someone who had broken a window when they were trying to steal things from someone's house, and that broken window would be an example that Justice lawyers gave of the type of damages that could be recouped.

Is it correct that this allows a process that is easier for victims to access with a lesser cost as opposed to non-pecuniary damages, which are more difficult to calculate and which may need different types of court processes to establish their damages?

[*Translation*]

Senator Boisvenu: The senator is quite right. The measure included in the bill will ensure that what she just said will happen. However, there are several provinces in Canada that have extended eligibility for legal aid, for example, to victims of crime. The victims have access in their province to a legal aid lawyer so that they can launch a civil suit against an offender for damages and interest or loss of enjoyment.

We must not forget that 50 per cent of legal aid is funded by the federal government. People forget that. I believe that Quebec and other provinces should adopt this model. I am also thinking of New Brunswick and Nova Scotia, which let victims use the legal aid program to claim compensation when the Civil Code or the common law of their province permits it.

Of course there are tools other than the victims bill of rights that enable victims to seek restitution, but it is important to understand that the victims bill of rights could not go beyond federal jurisdiction because that also falls under provincial responsibility.

[*English*]

Hon. Serge Joyal: I would like to join the debate at this stage because this bill is a very important bill for its social purpose. It brings into the legal heritage of Canada a new concept of public responsibility. When I started reading the bill, and especially its title, which says it is a Canadian victims bill of rights —

[*Translation*]

In French, it's the Charte canadienne des droits des victimes.

[*English*]

— I found there was an insistence put on the concept of a charter. The sponsor of the bill, Senator Boisvenu, opposed in one way the Canadian Charter of Rights in relation to the offender with the conditions of the victim, concluding easily that the Canadian Charter of Rights is tilted in favour of the offender against the proper recognition of the status of the victims. This is a conceptual kind of perception of what the legal system is in Canada.

I read the bill attentively. I participated in the hearings of the committee and heard all the witnesses and the experts, and the minister, of course, and the representative of the Department of Justice; and I came to the conclusion that the bill fails on three major counts.

The first one is that the bill is conceptually defective for the purpose that it's supposed to serve, and I will illustrate that.

The second conclusion that I draw from that study of the bill is that the bill fails to provide victims with a real legal remedy if their rights are not recognized. I insist that the bill fails to recognize a real legal remedy for the rights that are recognized for the victims.

Third, in my opinion, the bill dilutes the protection afforded to the Aboriginal offender. This is a very serious issue because it addresses a decision of the Supreme Court of Canada from 1999 called the *Gladue* principle, which is the special condition of Aboriginal offenders in the Canadian legal court system. I will expand quickly on that third point.

But let me first address what I feel has been one of the key weaknesses of the bill, which is the fact that the bill is conceptually defective. What do I mean by that, conceptually defective? The bill's purpose, as Senator Boisvenu mentioned, is in its title. It is a Canadian charter of rights of victims. What is a Canadian charter of rights?

Any Canadian on the street will tell you that the Canadian Charter is a legal document that guarantees your rights. I insist on the words "guarantees your rights." If I read section 1 of the Canadian Charter of Rights and Freedoms:

> The Canadian Charter of Rights and Freedoms guarantees the rights and freedoms set out in it . . .

[*Translation*]

In French:

> La Charte canadienne des droits et libertés garantit les droits et libertés qui y sont énoncés.

[*English*]

If it is guaranteed, it means that the rights are real. If they are real, what happens when your right is violated or is not respected? Any one of you will know the answer. You go to court. That's section 24 of the Canadian Charter of Rights and Freedoms, and I'll read section 24:

> Anyone whose rights or freedoms, as guaranteed by this Charter, have been infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.

So what is it? You have a right that is guaranteed, and you have, of course, the underlying right to go to court, to seek the remedy, to get an order from the court to repair the damage that you have incurred by not having your right recognized or adhered to by the authority to which you address yourself.

This is the essential principle of a charter, and that's why, when I read the title of this bill, the Canadian victims bill of rights, my first preoccupation was to go to the bill and find out what rights were recognized. The rights were the rights to information, section 6; the rights to protection, section 9; the right to participation, section 14; and the right to restitution, section 16. In other words, there are four rights in the charter, the alleged charter — four rights.

Then I went a step further and said how is the right protected if someone feels aggrieved if his or her right to participation is not recognized? Unfortunately, honourable senators, I went to sections 28 and 29 of the bill, and section 28 states the following:

> No cause of action or right to damages arises from an infringement or denial of a right under this Act.

• (1510)

Do you want me to repeat that?

> No cause of action or right to damages arises from an infringement or denial of a right under this Act.

In other words, no section 24 of the Canadian Charter of Rights and Freedoms. No right to go to court. When you go to court, you go through an independent process. That is very important. If you feel that you've been aggrieved, you are entitled to an independent hearing, somebody who is outside the litigation and will adjudicate on the basis of a certain number of principles of natural justice. We all know that. It is the legal system in Canada.

Then section 29 of the so-called victims bill of rights states:

> No appeal lies from any decision or order solely on the grounds that a right under this Act has been infringed or denied.

Not only do you not have a right to be heard, but you don't have a right to appeal. You can't go to the Supreme Court. You can't go to the Court of Appeal. You can't go to the court of common law in review of an administrative decision, which is the normal legal system.

But the charter provides for a mechanism of complaint. Senator Cools, you know what that is. It's an administrative mechanism. It's not a legal mechanism. Unfortunately, the proposed bill of rights at section 25(2) doesn't provide for any kind of order or capacity to ask for production of documents or to order a remedy or to appeal to a court.

In other words, honourable senators, this bill, as much as I subscribe to the objective of it, I do so on the basis of philosophical values. Why? Because I think that in Canadian society, in 2015, we are in a position to collectively share the responsibility to recognize the *locus standi* of any victim in legal proceedings. If we are to recognize that, we have to put our money where our mouths are; that is, we have to recognize the aid system. We have to recognize the compensation system, as much as some 50 or 60 years ago we recognized the right to health in Canada. We established a health care system, and the government decided to take upon itself to pay for that system anywhere in Canada. Any Canadian has the same right to health care wherever they are in Canada, whatever is the care they need in order to come back to health. This is a national system.

My contention is that if we are to recognize that victims have rights, they have the same rights and are entitled to the same compensation, to the same aid support, to the same protection of the court if their rights are not respected in the same way as if my right to have access to health care is not respected.

The Supreme Court of Canada in the *Chaoulli* decision a couple of years ago decided that because the Canadian government and the provincial governments have taken on the sole responsibility of providing health care, if the public system fails to provide you with care, you have the right to go to the private sector. The government cannot prevent you from being entitled to be cared for and to receive the proper health care you deserve, and that is because you are a Canadian citizen. To me, this is a logical, comprehensive system.

Unfortunately, in this bill we don't have the comprehensive system with the right protection afforded to the victims. Hence, the perception generally is that it is certainly a step forward. Nobody will deny that. But we really stay at the doorstep of any real system of protection of victims' rights.

For instance, in the health care system, the federal government doesn't have hospitals, but we spend a lot of money as a government to provide support to the provinces if they satisfy the four objectives of the national health act. You know them; we discussed them at length in this chamber some years ago.

In this bill, there's no such responsibility shared by Canadian society in relation to victims. So it seems to me that if we are to make real progress, we wouldn't agitate a charter by not delivering on the financial support and compensation system that has to exist in Canada from coast to coast to coast. That won't happen overnight — I'm the first one to understand and recognize that — but at least the objective will be in the act as much as it is in the health care act. At least there would be a remedy for any victim who is convinced that one of his four rights have not been recognized or protected in the legal system.

So it seems to me that it is very important that we clearly understand where we are at with this bill. As much as I support the objective, as much as I feel we remain well behind where we should be going in support of victims, if we are to agitate the notion that criminals are protected by the Canadian Charter of Rights and victims are protected by the Canadian victims bill of rights, if we do that, if we trump the perception that victims will finally have a document to protect them, unfortunately, honourable senators, we face a lot of deception and criticism in the future.

That's why I want to introduce an amendment to this bill. I want to introduce an amendment to this bill to give it the real meaning it should have as a charter.

MOTION IN AMENDMENT

The Hon. Serge Joyal: Therefore, honourable senators, if it should have meaning as a charter, I move:

> That Bill C-32 be not now read a third time, but that it be amended
>
> (*a*) in clause 2, on page 8,
>
> (i) by adding after line 7 the following:
>
> "(2.1) The authority referred in subsection (2) must have power
>
> (*a*) to compel the federal department, agency or body to produce information and documents relevant to a complainant; and
>
> (*b*) to make recommendations and orders to remedy specific or systemic infringements or denial of rights under this Act.", and
>
> (ii) by deleting lines 31 to 36; and
>
> (*b*) in clause 24,
>
> (i) on page 22, by deleting lines 38 and 39,
>
> (ii) on page 23, by deleting lines 1 to 7.

I do this, honourable senators, because if we are to raise the prospect of better protection — and I support that wholeheartedly, as I'm sure most senators do — I think we

have to be very clear on what we need to achieve to attain that objective. It is important because in doing so, we should not at the same time diminish the protection afforded to Aboriginal offenders. Unfortunately, at section 24, what the bill proposes to do is dilute the protection that the Supreme Court recognized in 1999 in the *Gladue* case, which is now called the *Gladue* principle, which is included in section 718.2(*e*) of the Criminal Code. The *Gladue* principle is a very simple principle; it has been explained at length by the Supreme Court of Canada in its decision, especially at paragraph 93. I will quickly read an excerpt from this principle:

> Judges may take judicial notice of the broad systemic and background factors affecting aboriginal people, and of the priority given in aboriginal cultures to a restorative approach to sentencing.

• (1520)

The reason why the court has recognized that, and I read the explanation of the court in relation to that principle:

> The background factors which figure prominently in the causation of crime by aboriginal offenders are by now well known. Years of dislocation and economic development have translated, for many aboriginal peoples, into low incomes, high unemployment, lack of opportunities and options, lack or irrelevance of education, substance abuse, loneliness, and community fragmentation. These and other factors contribute to a higher incidence of crime and incarceration. . . . these various factors produce an overincarceration of aboriginal offenders . . . . "When the social, political and economic aspects of our society place Aboriginal people disproportionately within the ranks of the latter, our society literally sentences more of them to jail."

Unfortunately, section 24 of the bill dilutes the protection recognized in the *Gladue* principle enshrined in the Criminal Code. Honourable senators, I don't think that you protect —

I'm sorry. Your Honour, could you call the house to order? I'm finishing my speech. I'm disturbed by this conversation on the other side.

[*Translation*]

The Hon. the Acting Speaker: Please, honourable senators, only one person has the floor and that's Senator Joyal. I would ask the other senators to take their seat and to stop talking immediately.

Senator Joyal, you have the floor.

[*English*]

Senator Joyal: I'm sorry, honourable senators, but you understand that I don't read speeches by somebody else. I speak from my mind on the basis of the study of the bill that we have in front of us, on the basis of the testimony that we hear, and I try to explain to the chamber what I strongly believe. Being disturbed by senators who speak loudly — I don't prevent other senators from speaking at a low voice. I'm not inhumane on that. But when it's too loud, I'm sorry, I'm disturbed in my presentation, and I have a right to be heard by this chamber. Thank you, honourable senators.

What I was concluding, honourable senators, is that if you want to protect the victims' rights, which is, as I said, one of the most humane policy objectives — and I think that Canada is ripe for that — I don't think you need to do that at the expense of the Aboriginal offenders, who are in the plight that the Supreme Court described they are in, in 1999, in the *Gladue* case. I think you can serve both objectives equally, fairly and with the corrective system we have to address the overrepresentation of Aboriginal people in the incarceration system in Canada.

Honourable senators, with those arguments, I strongly invite you to reflect upon those amendments because I think that they are essential to give to the bill the impact that it should have. I'm not the only one asking for that, honourable senators. The victims' ombudsman, when she testified at the committee last March, recommended — and it was quite clear in her presentation — that her power as ombudsman be strengthened and that real remedy be afforded to the victims. Another association that we didn't hear from, L'Association québécoise Plaidoyer-Victimes, through the chair of that association, Arlène Gaudreault, sent us a brief supporting the ombudsman's recommendation in relation to the victims' rights and their capacity to get a remedy.

With all that being considered, honourable senators, I strongly invite you to support those amendments.

Some Hon. Senators: Hear, hear.

[*Translation*]

The Hon. the Acting Speaker: Honourable senators, it is moved by the Honourable Senator Joyal that Bill C-32 be not now read a third time, but that it be amended —

Hon. Senators: Dispense.

(On motion of Senator Fraser, debate adjourned.)

[*English*]

ALLOTMENT OF TIME—NOTICE OF MOTION

Hon. Yonah Martin (Deputy Leader of the Government): Honourable senators, I wish to advise the Senate that I was unable to reach an agreement with the Deputy Leader of the Opposition to allocate time on Bill C-32.

Therefore, I give notice that, at the next sitting of the Senate, I will move:

> 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-32, An Act to enact the Canadian Victims Bill of Rights and to amend certain Acts.

CONTROLLED DRUGS AND SUBSTANCES ACT

BILL TO AMEND—SECOND READING—
DEBATE CONTINUED

On the Order:

> Resuming debate on the motion of the Honourable Senator Dagenais, seconded by the Honourable Senator Maltais, for the second reading of Bill C-2, An Act to amend the Controlled Drugs and Substances Act.

Hon. Larry W. Campbell: Honourable senators, I'd like to speak to Bill C-2, and I'm going to do it in a question-and-answer form, which I think is easier for us to understand.

In the first place, what is Bill C-2? Bill C-2's proposed legislation currently before us will make it more difficult for health authorities and community agencies to offer supervised consumption services for people who use drugs by setting out an excessive and unreasonable process for applying for an exemption.

In Canada, supervised injection sites need to seek an exemption under section 56 of the Controlled Drugs and Substances Act, the CDSA, to operate safely. Otherwise, clients and staff members would be at risk of criminal prosecution for possession of illegal substances under the CDSA.

Section 56 allows the federal Minister of Health to exempt a service or practice from provisions of the CDSA when necessary for medical or scientific purposes or if it is otherwise in the public interest. However, Bill C-2 would require applicants to submit an onerous amount of information to the federal Minister of Health before she or he may even consider an application for an exemption.

Moreover, and contrary to the spirit of a recent decision by the Supreme Court of Canada, it says that exemptions will be granted only in exceptional circumstances.

Bill C-2 was first introduced by the federal government in June 2013 as Bill C-65, the respect for communities act. It died on the Order Paper when Parliament was prorogued in September 2013, but was quickly reintroduced in October 2013 as Bill C-2. The bill has been widely condemned by public health and human rights experts. The Quebec government has also opposed the bill.

What are supervised consumption services? Supervised consumption services, also called supervised injection sites or drug consumption rooms, are health services that provide a safe, hygienic environment where people can use pre-obtained drugs under the supervision of trained staff. Supervised consumption services are part of a broader harm-reduction approach to substance use, which promotes safety, health and dignity. Many people who use drugs are unable or unwilling to stop using drugs at any given time, despite even the strongest efforts to prevent the initiation and continued use of drugs.

• (1530)

Make no mistake: Addiction is an illness. It is recognized by all medical authorities, and we should come to grips with that fact.

Supervised consumption services, like other harm-reduction services, for instance, needle exchange and syringe programs, are a pragmatic, necessary and compassionate response to this reality. By offering a safe place for people to use drugs with sterilized equipment and to connect with care and other social services without fear of arrest or harassment, supervised consumption services can provide some protection to the most marginalized, whose social, physical and mental-health-related needs are rarely met. Supervised consumption services aim to, first, reduce the health risks that are often associated with drug use, such as the transmission of infectious diseases through the sharing of used injection equipment and overdose-related deaths.

Insite in Vancouver came about for exactly this reason. HIV and hepatitis were going through the roof. We had a larger per capita rate of HIV than New York City, and the only way to stop this was to stop the sharing of needles, to bring people in off the street, stop them from cranking up with water from puddles and stop them from sharing needles and spreading these diseases.

Secondly, it was meant to improve access to health, treatment and social services for the most vulnerable groups of people who use drugs. Make no mistake: When you're in the position these people are in, they are homeless, they may be suffering from mental illness, from addiction and in many cases they're suffering from abuse.

Three, contribute to the safety and quality of life of local communities by reducing the impact of open drug scenes as well as issues of discarded needles, and I will address this a little later on.

Supervised injection sites are only one aspect of what should be a comprehensive health approach to drug use. If just saying "no" would work, I would not be standing here. Just saying "no" is part of the continuum of care that ranges from abstinence to the ability for heroin addicts to get medical heroin when they simply are not going to be able to get off the drugs.

Supervised injection sites are not exclusive of drug treatment programs. I remember years ago going to Toronto and speaking to the city council when they were considering supervised injection sites, and my advice to them was this: It's not a silver bullet. It's part of a continuum of care, and unless you can show me that you have the capacity of injectors, then it probably isn't going to work. This is not something that you set up and no one uses. In Vancouver, 800 injections a day take place at Insite.

Treatment doesn't work for everyone. Some people are not in a position to stop using drugs, and some people will relapse. It's tough to get off drugs when you don't have a roof over your head or when you hear voices in your head and are suffering from mental illness or when you're a sex-trade worker and you're trying to live. These are the realities.

This is why a comprehensive range of services is needed and why supervised injection sites have been integrated into drug treatment and harm-reduction programs in the last 20 years in Western Europe, in Australia and, I'm proud to say, in Canada.

How do they work? Where do they go? We're all concerned about having them next to a school or community centre. It doesn't happen. It's not going to happen. It's not a question that should even be asked.

Supervised injection sites are often located in areas of concentrated and highly visible drug scenes; for instance, the Downtown Eastside of Vancouver. They are staffed by nurses, counsellors, peer workers and other experienced workers who provide sterilized equipment, education on safe-use practices, as well as supervision and emergency help to prevent complications and to intervene in the case of overdoses.

Staff may also provide primary health care, including treatment for wounds and skin infections. This has led to a dramatic decrease in the use of the emergency rooms at our hospitals. Instead of going to the hospital, they can be treated right there by the nurses.

They receive immunization for all sorts of different ailments that you will find in this situation, screening for sexually transmitted and blood-borne infections and, perhaps most importantly, some counselling.

They bring pre-obtained drugs into the facility; none are provided by staff. There seems to be some idea when I read this act that I'm going to go into a facility with heroin and sell it there. If anybody would like to come to Insite with me any time you're in town, give me a call. You'll realize that the last thing going on there is dealing. These people are sick. They need to have the medication that they are taking, in this case drugs, and it's as simple as that. There is no dealing going on in there or in the area, because outside there, the police are paying close attention.

While supervised injection sites are often embedded in either health units or community-based agencies where other services are available, they may also be offered in stand-alone clinics or through mobile outreach.

I went to Zurich, and they were having great problems with sex-trade workers and communicable diseases. This goes to the idea that supervised injection sites are somehow a honey pot where people will come to. They'll score in New West and say, "I'm going to climb on the SkyTrain and go all the way downtown to shoot up."

In Zurich, they set up a portable or mobile supervised injection unit. They took it down to where they thought the sex-trade workers were working and no one came. When we went to talk to the sex-trade workers, they said that they were a block out of what they considered their safe zone, that it was dark. They were scared. When they moved that unit that one block, they were overwhelmed by people using it.

People do not come to this. You have to go to them. When in Vancouver, I would suggest to you that people using that site are living within 5 to 10 blocks maximum of that place.

We currently have two of them in Vancouver. We always talk about Insite, but the one that perhaps is even braver than Insite is at St. Paul's Hospital, at the Dr. Peter Centre, and I will talk about that.

Insite operates under the legal exemption that is granted by the federal Minister of Health on the condition that the program be rigorously evaluated. Insite is the result of the collaboration between the Downtown Eastside community and local, provincial and federal authorities.

We have 12 injection sites where clients inject pre-obtained drugs under the supervision of nurses and health care staff. If an overdose occurs, the team is available to intervene immediately.

I want you to imagine for a minute 800 injections a day times seven, times 365, times 12 years. Not a single person has died in Insite. Many have overdosed, and the overdose goes from a little light-headed to dropping like a rock, but because they're doing it within that place and because we have staff there, not a single person has died. While I can't quantify that, after being a coroner for 20 years, I can tell you in those numbers, many people would have died.

The second supervised consumption site in Vancouver has been integrated with the Dr. Peter Centre since 2002. The Dr. Peter Centre offers an HIV/AIDS day-health program and a 24-hour nursing care residence for people living with HIV, especially those people who have multiple medical conditions. In January 2014, the Dr. Peter Centre applied for exemption, but it has yet to be granted.

What has been the impact of Insite? What's the impact of supervised consumption sites? Studies from around the world have documented the positive impact of supervised consumption sites, and there is a long-standing experience with their successful operation. Canada's Insite, in particular, has been thoroughly evaluated.

• (1540)

Since 2003, more than 30 articles on Insite have been published in the world's leading peer-reviewed scientific and medical journals. Existing research clearly indicates that Insite has many beneficial outcomes both for people who use drugs and the community as a whole.

First, Insite is being used by the people it was intended to serve. Frequent users are people most at risk for overdosing or becoming infected with HIV and hepatitis C because of their high-intensity injection practices. They are more likely to be homeless and they are more likely to inject in public places.

Insite has reduced HIV-risk behaviour, such as needle sharing. Insite has increased the number of people entering into treatment. Insite has morphed from just Insite to Onsite, which is upstairs, where you can start your treatment when you're ready. Insite has provided safety for women who use drugs. Insite has also reduced overdose risks and prevented overdose-related death.

Finally, Insite has also improved public order by reducing the number of public injections and the amount of injection-related litter near the facility.

To say that the sight of somebody injecting publicly is disturbing would be an understatement, but it is simply a fact of life in my city and in the Downtown Eastside. Eight hundred of

those injections are not taking place in alleys, not taking place in single rooms by themselves and are not taking place in washroom stalls. I think that's critical to this because these are human beings. We don't have tag days for junkies. We don't invite them home for dinner, but we have to start recognizing that these are human beings. They are somebody's children and they are somebody's parents.

Studies seeking to identify potential harms of the facility found no evidence of negative impact. Insite has not encouraged drug use. People don't wake up and say, "Boy, I have a supervised injection site. I think I'll go out and shoot heroin, become a cocaine addict, use MDA or MMDA." That's not how it happens. We deter people. We deter people from going out and doing dangerous activities.

Is there any evidence that supervised consumption sites are cost-effective? Yes, evidence indicates that supervised consumption services are cost-effective because they can reduce the risk of HIV and hepatitis C. When we started our program of Four Pillars in Vancouver, and Insite came into being, we watched as the HIV rate dropped. Now, this is over 10 years ago. It was a quarter of a million dollars a year to treat an HIV patient. For every one you stop, a quarter of a million dollars goes back into the health care system for us or other people who are sick.

Research has shown that by preventing new cases of HIV infections, Insite and its syringe exchange program can be associated with $17.6 million in health care cost savings, which greatly exceeds the operating costs of the facility.

Honourable senators, I don't care whether you want to support this bill or come and fight this bill with me because it's good business and you save money, or whether it's warm and fuzzy and you want to save lives; I don't care. All I know is that both take place here; both are part of this program.

Do supervised consumption services attract public nuisance? Contrary to common fears expressed by many local communities in Vancouver, although I was elected with a huge majority running on this, we spent many nights in community meetings.

Yes, there was opposition, but most of the opposition was based on fear. Most of the opposition was based on misinformation, based on watching new shows where the Downtown Eastside was the place to be. If you have a slow news week, go to Vancouver, take pictures of people shooting up in alleys, unconscious, stumbling around. That's not what it's like and that's not what it should be like.

While local communities may legitimately have concerns that the opening of a new health or social facility might attract noise, litter and other kinds of nuisance, the evidence shows that a health response to drug use that includes supervised injection sites improves conditions in neighbourhoods. Specifically, supervised consumption services have been associated with increased public order, reduced public injection and litter associated with injecting, as well as a reduction in the number of syringes being found in public places.

In Vancouver, the local police are playing an important role in supporting Vancouver's supervised injection site. Without the police support, this would never have happened.

Does supervised consumption increase local crime? No, it does not. In the area surrounding Insite, the evidence shows it has had no impact on drug trafficking, assaults or robberies. Similar observations have been observed in Europe and Australia.

What is the current context for supervised consumption services in Canada? In 2008, the federal Minister of Health chose not to extend Insite's exemption under section 56 of the CDSA, despite evidence that Insite was an effective response to the dramatic spread of infectious diseases such as hepatitis and HIV, and to the high rates of drug-related overdose in Vancouver's Downtown Eastside. At one point over 200 people in Vancouver died from drug overdoses. Imagine that: These were preventable deaths and we didn't do anything.

Proponents of the site, including the PHS Community Services Society, which operates Insite under the contract of the Vancouver Coastal Health unit, the Vancouver Area Network of Drug Users and two individual Insite clients, challenged this refusal all the way to the Supreme Court of Canada. In September 2011, the Supreme Court ordered the federal Minister of Health to grant the exemption that stands today. According the court, the decision to deny an exemption violated Insite's clients' rights to life, liberty and security of the person in a way that was both arbitrary and grossly disproportionate.

The right to security of the person is engaged where a law creates a risk to health by preventing access to health care, thus violating the Charter of Rights and Freedoms. Currently, several projects to implement supervised consumption sites are being considered across Canada, but Bill C-2 will create unreasonable barriers to their implementation.

Again, I want to stress there is not a rush to have a supervised injection site in every town. There is not a need to have a supervised injection in every town but where there is an absolute need, we need to have them to prevent death, and to prevent more misery from this addiction.

What did the Supreme Court say is about supervised injection sites and future exemptions? According to the Supreme Court, the Minister of Health must exercise his or her discretion to grant an exemption in accordance with the Charter, which guarantees the rights to life, liberty and security of the person. The government cannot deprive people of any of these rights except in accordance with the principles of fundamental justice. You seem to be hearing a lot about fundamental justice today. Regarding Insite, the Supreme Court ruled that the minister's refusal to grant an exemption was not in accordance with the principles of fundamental justice because it was both arbitrary and grossly disproportionate. The minister's decision was arbitrary because it undermined the objectives of public health and safety of the Controlled Drugs and Substances Act.

Furthermore, the effect of denying clients Insite's life-saving and health-protecting services was "grossly disproportionate to any benefit that Canada might derive from presenting a uniform stance on possession of narcotics."

• (1550)

For future exemptions, the minister must strike the appropriate balance between objectives of the CDSA: achieving public health, and public safety. Importantly, the Supreme Court ruled:

> Where, as here, a supervised injection site will decrease the risk of death and disease, and there is little or no evidence that it will have a negative impact on public safety, the Minister should generally grant an exemption.

The court outlined five broad factors to be considered by the Minister of Health in making a decision about whether to issue a CDSA exemption:

> The factors considered in making the decision on an exemption must include evidence, if any, on the impact of such a facility on crime rates, the local conditions indicating a need for such a supervised injection site, the regulatory structure in place to support the facility, the resources available to support its maintenance, and expressions of community support or opposition.

These factors for consideration are meant to prevent any further decision from being arbitrary or creating a grossly disproportionate harm to people by impeding their access to necessary health services.

The Supreme Court did not rule that an application for an exception could be reviewed or an exemption granted only if all five factors had been addressed and/or satisfied; the court simply said that if there is evidence about these factors, then such evidence must be taken into consideration.

How exactly is Bill C-2 going to affect the exemption process? It creates a much more restrictive exemption regime, specifically designed for supervised consumption services. Under the new regime, exemptions can be granted only for medical purposes. Recall that Insite was originally granted an exemption for scientific purposes and in exceptional circumstances.

Bill C-2 codifies a repressive context that allows for no flexibility or room to facilitate the implementation of supervised consumption services. The federal Minister of Health — and this is critical — is not even allowed to examine an application for exemption unless it has received the 26 different pieces of information listed in the bill. Remember that the Supreme Court had five. Clearly, instead of enhancing access to critical health services as recognized by the Supreme Court of Canada, Bill C-2 would make it exceedingly difficult for public health and community agencies to apply for an exemption.

For those who manage to provide all the excess information required by the bill, there is no guarantee that the application will even be considered or that an exemption will be granted if all criteria are met.

Isn't it fair to ask local communities and police for their opinions before implementing a supervised consumption site? Bill C-2 requires an application for an exemption to be accompanied by evidence of extensive consultations with local community groups and a letter from the head of the local police force. While working with local communities and police can contribute to a better acceptance of the facility, thereby improving its functioning, it is unjustified and excessive to make this a legal requirement. There is no equivalent requirement for other health services for people who do not use drugs. Can you imagine going into a public consultation for a cancer clinic, a pediatric clinic or any other type of health care clinic? It wouldn't happen.

Local residents and police forces have no right to approve who can access health care services. The fact that supervised consumption services are meant to serve people who use drugs seems to be the only reason for such exceptional treatment. This is particularly concerning, as people who use drugs are a marginalized and stigmatized population, and local opposition to the implementation of drug-related services is likely based on misconceptions, fear and unfounded assumptions about addiction, drug treatment and harm reduction.

Bill C-2 fuels misinformation about supervised consumption services. It does not recognize the well-established benefits of supervised consumption services to reduce death and health and social harms often associated with the use of drugs. It is not even mentioned that supervised consumption services can prevent overdose-related deaths and decrease the number of new HIV or hepatitis C infections.

Bill C-2 completely contradicts the spirit of the Supreme Court of Canada's 2011 decision. By touting public safety at the expense of public health, the bill runs counter to the court's emphasis on striking a balance between public safety and public health. By making it even more difficult to implement supervised consumption services, Bill C-2 ignores the Supreme Court of Canada's assertion that these services are vital for the most vulnerable groups of people who use drugs, and that preventing access to these services violates human rights.

Bill C-2 imposes an excessive application process. Again, 26 pieces of information must be provided before an application can even be considered. This bill disproportionately considers "opinions" around access to crucial health services. Bill C-2 requires letters of opinion from at least five different bodies, including police and government authorities. Applicants must also conduct consultations with a "broad range of [local] community groups" and submit a detailed report summarizing the opinions of consulted groups.

While support for local authorities, communities and police can facilitate the implementation of supervised consumption services, legally requiring their opinions does nothing to build constructive cooperation; it only allows for decisions to be based on unjustified, misinformed and/or politically oriented positions.

Bill C-2 effectively gives certain authorities unilateral veto power over the implementation of supervised consumption services. Because an application for an exemption cannot be examined unless certain authorities have submitted a letter of opinion, the exemption process can easily be delayed or blocked. As with any other life-saving health services, the implementation of supervised consumption services should not be dependent upon whether the local government, police forces or ministry in charge of public safety, for example, feel they are warranted.

Bill C-2 does not provide sufficient certainty or protection against arbitrariness. Bill C-2 creates unjustified opportunities for public opposition and discrimination against people who use drugs. Like they said, "We don't hold tag days for addicts. They're at the bottom — the very bottom." So this just reinforces the thing — it dehumanizes these people; it makes them less than us.

I have to tell you, honourable senators, that there was a time in my life where I did not support supervised injection services, period. I could not see how they could possibly help. Then, one day, a person named Bud Osborn came to me. He was a poet in the Downtown Eastside. He was addicted, and he had hepatitis. We had a long talk. I came out of that experience changed. Even though I had been working in the Downtown Eastside since the early 1970s, and I had lots of friends down there and knew lots of people who were addicted — I was a coroner down there — he put a human face on the situation. He allowed me to take a look at this from a health-care perspective and not my quasi-police experience.

Then I went to Zurich, and the Swiss have a word for street addiction. As only the Swiss can put it, they call it a "nuisance." It's unsightly. It messes up the landscape. It doesn't look good. It goes against the Swiss sensibilities for neatness and order, and so, of course, as the Swiss always do, they looked at it and studied it. They said, "Let's try these supervised injection sites," so they did.

They did some interesting things that we don't even consider here. In Switzerland, you can only access the supervised injection sites in the canton where you were born or where you live. They realized that you need support when you're addicted, and if you're in Zurich but your family is somewhere else, the chances of you getting that support simply aren't going to happen.

• (1600)

They recognize that it was a good thing to have a laundromat and a spare change of clothes for people when they come in off the street because allowing them to go out clean is a dignity. It's something that they need.

Then they started having job fairs and people started hiring addicts. This went on and on. I already told you about the supervised injection site and the sex trade workers and how they had to move it one block.

When I went to the university, they talked to me about heroin maintenance. I mean, we're upset about this. Just imagine if we started giving heroin to the 10 per cent who will never get off it, no matter what we do, and who will constantly keep using our resources. I don't care if that addict shoots up and sits all afternoon watching Oprah. I could care less. If it's a sex trade worker then they're not out in harm's way. If they're mentally ill then hopefully we've given them a roof over their head and a door they can lock so that they can start the transformation.

Nobody chooses to be an addict. I know what people say: Oh, well, there was a choice. I will admit to you that in the minority of cases, somebody made a dumb decision to start using drugs. But in the majority of these, this is simply self-medication. That's all it is. It's like somebody taking an aspirin every day for a headache, only aspirin is legal and heroin and cocaine obviously are not.

For the reasons I've already said, how many Willie Picktons do we have to produce before we recognize the dangers that are going on here? How many people have to go missing? How many kids have to be abused? How many people have to have their mental illness ignored?

This is not a pariah, honourable senators. This is a health care facility. Quite frankly, at the end of the day, in my opinion, the federal government has no jurisdiction in this. This is a health care facility. It's supported by the provincial government. It's supported by all the health care providers. It's supported by the police. This is not something to be afraid of. I would urge you to send this to committee, to study it carefully and come back with recommendations that will make this not only legal but honourable.

(On motion of Senator Hubley, debate adjourned.)

CANADIAN COMMISSION ON MENTAL HEALTH AND JUSTICE BILL

NINETEENTH REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE— DEBATE ADJOURNED

The Senate proceeded to consideration of the nineteenth report of the Standing Senate Committee on Social Affairs, Science and Technology (Bill S-208, An Act to establish the Canadian Commission on Mental Health and Justice, with a recommendation), presented in the Senate on April 1, 2015.

Hon. Linda Frum moved the adoption of the report.

She said: Honourable senators, your committee recommends that Bill S-208, to establish a Canadian commission on mental health and justice, not be proceeded with further in the Senate.

Senator Cowan is to be commended for his devotion to improving the mental health situation in the justice system, as reflected in his bill. There are indeed serious mental health issues in the justice system, which are eloquently set out in the preamble to the bill and agreed by the committee. As stated in your committee's report, however:

> The issue in discussion was not what needs to be done, but how to best achieve these agreed upon goals.

Your committee felt that the creation of a Canadian commission on mental health and justice is not appropriate at this time. There already exists the Mental Health Commission of Canada, or MHCC, which has been addressing some of the mental health issues in the justice system and beyond.

Further, per the report:

> Most of the work proposed in Bill S-208 has already been undertaken by various organizations either independently or in collaboration with the MHCC. The majority of committee members consider that an additional Commission with an overlapping mandate would be inappropriate at this time.

As the report states:

> . . . if properly resourced and directed, the additional tasks detailed in Bill S-208 could be fulfilled by the MHCC rather than by establishing a new Commission.

Therefore, as in the nineteenth report, in addition to recommending that Bill S-208 not proceed:

> . . . your committee urges the Government to provide the Mental Health Commission of Canada with a renewed and expanded mandate to incorporate the purpose and duties set out in Bill S-208.

(On motion of Senator Cowan, debate adjourned.)

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Linda Frum moved second reading of Bill C-518, An Act to amend the Members of Parliament Retiring Allowances Act (withdrawal allowance).

She said: Honourable senators, I am pleased to speak today about Bill C-518, An Act to amend the Members of Parliament Retiring Allowances Act. This bill, as amended at committee in the other place, was passed by a very wide margin, with all-party support. I commend the bill to you because it closes what amounts to a loophole in the current law.

At present, provided parliamentarians have accrued a total of six years or more of pensionable service and have reached age 55, they are eligible for a pension — a retirement allowance — unless they are disqualified or expelled from Parliament.

If disqualified or expelled, parliamentarians are eligible to receive only a withdrawal allowance — the lump sum total of their own contributions and the interest earned on those contributions. They do not receive the taxpayer-funded contribution to their retirement allowance.

But if parliamentarians resign or retire from Parliament before they are expelled or disqualified, they remain entitled to receive their full pension, provided they have six years of pensionable service. Bill C-518 would help close this loophole.

• (1610)

In future, if convicted under certain Criminal Code provisions for offences arising from their conduct during their time as a member, they will not get a retirement allowance if they resign or retire before they are expelled or disqualified. Instead, any such criminally convicted person who ceases or has ceased to be a member and who is convicted on or after the day this bill comes into force, will only get a withdrawal allowance, not a retirement allowance. That withdrawal allowance will consist only of the member's contributions plus interest earned on those contributions. It will not include any taxpayer contributions to their retirement account.

Further, the total of any retirement allowance that may already have been paid out prior to the date of conviction will be subtracted from the withdrawal allowance. If that amount exceeds the total amount of their withdrawal allowance, they would get no withdrawal allowance. The withdrawal allowance would be deemed to be zero.

What Criminal Code offences would trigger the provisions of this bill? You will see them set out on page 2 of the bill, at clause 2(4) — 24 offences related to duties we carry out as parliamentarians. They are indictable offences for which the sentence would be a maximum of five or more years. For example: bribing judicial officials, defrauding government, breach of trust, perjury, forgery, obstructing justice, fabricating evidence, and so on. Canadians want and expect integrity of their parliamentarians. The vast majority of parliamentarians behave with integrity. The point of Bill C-518 is that parliamentarians who don't break these laws will receive their pensions when that time comes. Those who do — who are convicted of these particular crimes that revolve around their duties as representatives of the people — should not expect to receive their retirement allowances. The signal is clear: Don't break the rules.

Honourable senators, this bill is designed to send a message. It's a strong bill. It reflects Canadians' sense of honesty, hard work and fair play. That's why we support the intent of this proposed legislation. We believe it addresses concerns that are important to the people of Canada and worthy of consideration.

(On motion of Senator Cowan, debate adjourned.)

[*Translation*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker *pro tempore* informed the Senate that a message had been received from the House of Commons with Bill C-12, An Act to Amend the Corrections and Conditional Release Act.

(Bill read first time.)

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

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

(The Senate adjourned until Wednesday, April 22, 2015, at 1:30 p.m.)

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Tuesday, April 21, 2015

Published by the Senate

Available on the Internet: http://www.parl.gc.ca