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(HANSARD)

Thursday, June 25, 2015

The Honourable LEO HOUSAKOS
Speaker

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THE SENATE

Thursday, June 25, 2015

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

Prayers.

[Translation]

SENATORS' STATEMENTS

NATIONAL DAY OF QUEBEC AND CANADA DAY

Hon. Ghislain Maltais: Honourable senators, yesterday we celebrated Quebec's national holiday, the national holiday of one of the founding peoples of Canada. I may be a day late, but it is never too late to do the right thing.

The people of Quebec were the first founders of our country. Today, Quebec francophones are thriving across the country. From Newfoundland and Labrador to Whitehorse and Victoria, British Columbia, we can see the very essence of francophones. Acadians are also part of this large family.

Above all, Quebec was a welcoming land. It will continue to be for as long as the people of Quebec are part of this large Canadian family that unites us all with pride, this great country that today is recognized internationally for being a welcoming land.

With July 1 just around the corner, I also want to take this opportunity to wish a happy Canada Day to all Canadians, including Quebecers. We will celebrate with you for the future of our country.

BURUNDI

Hon. Mobina S. B. Jaffer: Honourable senators, I am speaking today to give you an update on the situation in Burundi.

Since President Nkurunziza announced he was running for a third term, in contravention of the constitution of Burundi and the Arusha Accords for peace and reconciliation in Burundi, that country has been plunged into a serious crisis that is jeopardizing the survival and security of the Burundian population and the surrounding region.

The longer the current political conflict goes on, the more fear and rancour will grow and the more risk there will be of ethnic conflicts.

Unfortunately, that reality is part of the radicalization logic of the government, which is playing that card.

Since President Nkurunziza's announcement, over 115,000 people have fled the country and over 77 people have been killed by the police and auxiliary militia during peaceful demonstrations.

Recently, the Burundian police used excessive force against people who were protesting President Nkurunziza's decision to run for a third term.

The police fired indiscriminately into the crowd and beat protestors and detainees.

Unfortunately, over 500 protestors and opponents were imprisoned and tortured, and media outlets were burned down and closed.

Daniel Bekele, the Executive Director of the Africa Division of Human Rights Watch, said that the police should not use such violent tactics to suppress the protests, nor should they fire into crowds of demonstrators. Furthermore, many international organizations are worried that these sorts of actions will lead to chaos in Burundi.

People are fleeing the country because they fear for their lives, and despite the fact that the Government of Canada has asked all Canadians to leave Burundi, Canada is unfortunately continuing to deport Burundians on Canadian soil who pose no threat whatsoever.

Honourable senators, this practice is contrary to the Canadian values of protecting human rights and helping those in danger.

Tomorrow, I will have the opportunity to participate in a panel discussion in Vancouver on the human rights violations and election violence occurring in Burundi, with a view to finding solutions and helping Burundians.

For these reasons, I am calling on the Government of Canada to suspend the deportation of Burundians on Canadian soil.

Thank you.

[English]

THE SENATE

Hon. Lynn Beyak: Honourable senators, I rise today to say thank you to my honourable colleagues on both sides of the chamber. To the members of the Energy Committee and its chair, Senator Neufeld, thank you for rearranging your schedules, calling exceptional witnesses and meeting to question and debate Bill C-61, the Lake Superior National Marine Conservation Area Act. The marine bills the Senate has passed are of benefit to all Canadians and enjoyed great non-partisan support.

In my 28 months here, I have watched and participated as we did the same work on the Bill C-501, the National Hunting, Trapping and Fishing Heritage Day Act, for which critical review was fair and helpful and led to overwhelming support for the bill in the end.

We have together done the same work on many other bills, and I believe these have been our finest hours.

I am proud to be a Canadian senator, proud of the Senate and proud of my distinguished and honourable colleagues. If the media took the time to report on the commitment, hard work, diversity and dedication of the vast majority of the men and women called to this chamber, intelligent and fair-minded Canadians would be proud of us, too — especially if they knew that the Senate, inclusive of everything, costs less than \$5 per taxpayer per year, a documented fact. We are business professionals, sports figures, administrators, nurses, lawyers, teachers, moms and dads, doctors, writers, tourist entrepreneurs, salespeople, insurance and real estate brokers, artists, judges, pilots, engineers, editors and, yes, some politicians, too.

A few weeks ago, I spoke about the Senate in northern and eastern caucus. I was asked by MPs to put my thoughts into an op-ed, and I did so. It was carried in our local papers and went across Canada online. I've had nothing but positive feedback from across the nation. I would urge you to Google the comments under the title "Thoughts on the Canadian Senate."

I thank you again sincerely, dear colleagues, and wish you all a wonderful summer after this session. See you in the next Parliament. Thank you.

TERRY FOX RUN

THIRTY-FIFTH ANNIVERSARY

Hon. Joseph A. Day (Acting Deputy Leader of the Opposition): Honourable senators, in 1980, in St. John's, Newfoundland, Terry Fox dipped his artificial leg in the Atlantic Ocean and began his journey. With one leg having been amputated because of cancer, Terry Fox ran across Canada to raise money and awareness for cancer research. After crossing six provinces over 143 days and covering 3,339 miles, with an average of a marathon per day — that's 26 miles for each day! — Terry Fox had to end his quest because his primary cancer had spread to his lungs. After treatment with chemotherapy, Terry Fox died at the Royal Columbian Hospital, New Westminster, British Columbia, on June 28, 1981, almost 34 years ago today.

His courage and determination gave birth to a worldwide legacy. The Terry Fox Run was founded in 1981 in commemoration of the Terry Fox Marathon of Hope and his fight against cancer. Since then, it has grown and developed into the largest fundraising event in support of cancer research. Each year, millions of citizens in over 25 countries participate in Terry Fox runs, which makes this event the world's largest one-day fundraiser for cancer research.

• (1340)

To date, the foundation has raised over \$700 million to support cancer research in Terry's name. On September 20 of this year, honourable senators, just about a month before the general

election, the Terry Fox Run will mark its thirty-fifth anniversary. The Terry Fox Run will once again, after 10 years, return to the Confederation Bridge between Prince Edward Island and New Brunswick. Both the twenty-fifth and thirtieth anniversaries of the Terry Fox Run were marked with a Confederation Bridge-hosted event, offering participants the exceptional occasion to cross the bridge on foot or to run. It's about 13 kilometres. I ran it myself on one occasion.

On October 15, 1979, Terry Fox wrote to the Canadian Cancer Society, "I'm not a dreamer, and I'm not saying this will initiate any kind of definitive answer or cure to cancer, but I believe in miracles. I have to."

Honourable senators, Terry Fox had the right to believe in miracles because he created one. Long after his death, his courage continues to inspire Canadians and people around the world. His courage continues to help, year after year, to raise funds for cancer research with the hope of one day finding a cure.

If you haven't had the chance, I would encourage honourable senators to register and join thousands of Canadians on the Confederation Bridge walk and run on September 20, and be a part of Terry's legacy in support of the work that is being done for cancer research.

Honourable senators, the statute of Terry Fox appears opposite the Parliament buildings on Wellington Street. Take a look at the plaque. It's done by John Hooper from Hampton, New Brunswick.

[Translation]

ROUTINE PROCEEDINGS

PARLIAMENT OF CANADA ACT

DESIGNATION OF PREMISES OR PART OF PREMISES FOR THE PURPOSES OF THE DEFINITION "PARLIAMENTARY PRECINCT" IN SECTION 79.51—DOCUMENT TABLED

The Hon. the Speaker: Honourable senators, with leave of the Senate, I have the honour to table, in both official languages, a document signed by the Speakers of both houses that defines the term "parliamentary precinct" for the purposes of section 79.51 of the Parliament of Canada Act.

Is leave granted, honourable senators?

Hon. Senators: Agreed.

[English]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

BILL TO AMEND—NINTH REPORT OF RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT COMMITTEE PRESENTED

Hon. Vernon White, Chair of the Standing Committee on Rules, Procedures and the Rights of Parliament, presented the following report:

Thursday, June 25, 2015

The Standing Committee on Rules, Procedures, and the Rights of Parliament has the honour to present its

NINTH REPORT

Bill C-518, An Act to amend the Members of Parliament Retiring Allowances Act (withdrawal allowance), has, in obedience to its order of reference of Tuesday, May 26, 2015, examined the said bill and now reports the same with the following amendments:

1. Clause 2:

(a) Page 1: Replace line 16 with the following:

“occurred while the person was a member or was a candidate as defined by subsection 2(1) of the *Canada Elections Act*, a”; and

(b) page 2:

(i) replace line 11 with the following:

“offence under the *Canada Elections Act* or any of the following provisions of”,

(ii) delete lines 30 and 31, and

(iii) delete lines 38 to 41;

2. Clause 3, page 3: Replace line 25 with the following:

“the person was a member or was a candidate as defined by subsection 2(1) of the *Canada Elections Act*, a withdrawal”.

Respectfully submitted,

VERNON WHITE
Chair

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

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

INCOME TAX ACT

BILL TO AMEND—DISPOSITION OF BILL—
NOTICE OF MOTION

Hon. Yonah Martin (Deputy Leader of the Government): Honourable senators, I give notice that, at the next sitting of the Senate, I shall move:

That notwithstanding any provisions of the Rules or usual practice, immediately following the adoption of this motion:

1. the Speaker interrupt any proceedings in order to put all questions necessary to dispose of bill C-377, An Act to amend the Income Tax Act (requirements for labour organizations), without further debate, amendment or adjournment;
2. if a standing vote is requested in relation to any question necessary to dispose of bill under this order, the bells to call in the senators ring only once and for 15 minutes, without the further ringing of the bells in relation to any subsequent standing votes requested under this order;
3. no vote requested in relation to the disposition of the bill under this order be deferred;
4. no motion to adjourn the Senate or to take up any other item of business be received until the bill subject has been decided upon; and
5. the provisions of the Rules relating to the time of automatic adjournment of the Senate and the suspension of the sitting at 6 p.m. be suspended until all questions necessary to dispose of bill have been dealt with.

[Translation]

RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Céline Hervieux-Payette: Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That, for the remainder of the current session,

- (a) the Standing Committee on Rules, Procedures and the Rights of Parliament be authorized, pursuant to rule 12-18(2)(b)(ii), to sit, even if the Senate is adjourned for more than a week;
- (b) the Committee be permitted, notwithstanding usual practices, to deposit reports with the Clerk of the Senate if the Senate is not then sitting, and the reports be deemed to have been presented or tabled in the chamber, as the case may be; and

- (c) That, notwithstanding any usual practice or provision of the Rules, any presented report deposited with the Clerk under the terms of this order be placed on the Orders of the Day for consideration at the next day thereafter during the session that the Senate sits and published in the Journals of that day.

[English]

QUESTION PERIOD

NATIONAL DEFENCE

PROCUREMENT—NAVAL SHIPS

Hon. James S. Cowan (Leader of the Opposition): My question is for the Leader of the Government in the Senate, and it has to do with shipbuilding — something that is close to my heart, coming from Halifax. It arises out of some announcements that have been made in recent days.

By way of background, your government, of course, brought in the National Shipbuilding Procurement Strategy. I think all of us, and all Canadians who looked at it, felt and expressed publicly what a good program this was, what a good strategy it was and what a good process had been followed putting it in place. As a result of that, the future of the Canadian shipbuilding industry was made secure. Your government deserves to be commended for that.

• (1350)

Now, with this strategy in place and shipyards across the country building capacity to meet the requirements set forth in the strategy, we find that the government has disregarded the plans that were set forth in the strategy and is apparently engaged in discussions with the Davie shipyard in Quebec for the provision of a temporary replacement for Royal Canadian Navy supply ships.

I will remind you that the two supply ships, the HMCS *Preserver* and the HMCS *Protecteur* were retired last November. The new supply ships were to be in place in the water originally in 2012 and now, under the current strategy, they will be in place by 2021, I believe.

It's my understanding and the reports are that Irving Shipbuilding in Halifax had submitted a proposal for a temporary replacement for those two supply vessels. But the government, rather than proceeding by way of open tender and inviting other shipyards to bid on this work, is now doing a sole source with Davie, which, by its own admission, has not put forward a detailed proposal, but the government is proposing to enter into discussions leading to a proposal with Davie, bypassing

the open-tendered program and disregarding the basic fairness policy set forth in its own National Shipbuilding Procurement Strategy.

How do you square that circle?

[Translation]

Hon. Claude Carignan (Leader of the Government): Senator, as you reminded us, Irving Shipbuilding Inc. won the competitive process for the selection of a shipyard to build combat vessels.

Irving Shipbuilding is ideally positioned to manage the contracts required for the design and construction of these vessels over a 30-year period. We had an independent third party review the decision in order to minimize the risk to the Crown and to have one company assume overall responsibility for the project.

With regard to the supply ships, the government is determined to provide the Royal Canadian Navy with the tools it needs to defend Canadian waters and to engage in international missions. According to our estimates, the National Shipbuilding Procurement Strategy will generate 15,000 jobs and more than \$2 billion in economic spinoffs over 30 years.

As I mentioned earlier, the government is in discussions with Davie shipyard to provide the royal Canadian Navy with interim refuelling capability.

[English]

Senator Cowan: As I said in the introduction to my question, I commended the government then and I commend the government now for its National Shipbuilding Procurement Strategy. I think that's exactly the right strategy and it provides the long-term security and will hopefully lead to the kind of job creation and expertise which you describe in your answer. That was not my question.

My question is that now the government is looking quite properly for replacements for the *Preserver* and the *Protecteur*. The deadlines that were set have been missed, and the government has now decided they want to proceed to have a temporary replacement.

Why are you sole-sourcing that contract, rather than allowing competitive bidding for this temporary replacement so that you know you will get — and not just hope that you will get — best value for Canadian taxpayers?

[Translation]

Senator Carignan: I have already said in this chamber that the Royal Canadian Navy must be able to support the missions the government expects it to conduct, whether in Canada or abroad. The Royal Canadian Navy is studying all options to temporarily address the lack of auxiliary oil replenishment ships. It is to that end that the government has entered into discussions with Davie shipyard.

[English]

Senator Cowan: That's precisely the point. Everyone agrees that the ships need to be replaced. As I said in my introduction, the original plan was to have the replacement ships in the water in 2012. That hasn't happened. They haven't even awarded the contract for it.

If, as you say, the department has prepared specifications as to its requirements for temporary replacement vessels, why not allow not just Irving Shipyard in Halifax, but also other shipyards the opportunity to bid on that project on those specifications? Surely that's the only way you will be able to guarantee and show Canadian taxpayers that they're getting the best value for their dollars. Why would you sole-source this contract? Why would you not have a competitive bidding process?

[Translation]

Senator Carignan: Senator, as I said, this is about acquiring interim refuelling capability, which is why the Canadian government believes that it is appropriate to enter into discussions with Davie shipyard.

[English]

Senator Cowan: Surely, leader, whether it's a temporary vessel or a permanent one, it doesn't make any difference as far as the necessity or desirability of having an open bidding process. Why not allow other shipyards to bid on the specifications that have been established by your government? I'm not questioning the need for a replacement vessel; that is needed. But why restrict your options to one?

[Translation]

Senator Carignan: Senator, as you yourself have mentioned, Irving Shipbuilding won the competitive process for the selection of a shipyard to build the combat vessels. Irving Shipbuilding is ideally positioned to manage the contracts during the 30-year work period that will be required to design and build those combat vessels.

In order to minimize any risk to the Crown, this decision was examined by an independent third party, and the winning bid assumes full responsibility for the project. This strategy will create 15,000 jobs and generate over \$2 billion in economic spinoffs over 30 years.

That being said, I want to repeat that in order to strengthen our interim refuelling capability, it is appropriate for the government to enter into discussions with Davie shipyard.

[English]

Senator Cowan: In the original plan, I agree with you: Irving won the combat ship competition and they are proceeding apace with that. Seaspan in Vancouver was the preferred supplier for the two joint support ships to replace the *Protecteur* and the *Preserver*. Why wasn't Seaspan given an opportunity to bid on the temporary replacement? Why Davie?

[Translation]

Senator Carignan: As I've said many times, in order to ensure interim refuelling capability, the government thought it would be a good idea to enter into discussions with Davie shipyard.

• (1400)

[English]

Senator Cowan: I think we're at cross-purposes here. There is no question that in the circumstances, because of the delay in getting the permanent replacements and because of the unfortunate shipboard accident on one of the two currently now-retired support vessels, it's necessary to secure a replacement. I agree. As you say, the government has arrived at its specifications for that purpose.

In the interest of getting the best value for taxpayers' dollars, why would you not say, "Here are our specifications. Give us proposals for this temporary replacement"?

I don't care whether that yard is Seaspan, Davie or Irving. The point would be exactly the same: Until you have a competitive bidding process, you don't know if you are getting the best value for your dollar. Why sole-source bidding?

[Translation]

Senator Carignan: We're talking about interim refuelling capability. It was therefore deemed appropriate for the government to enter into discussions with Davie shipyard.

[English]

Senator Cowan: I will try one last time. As I understand it, the government has made the decision that they are going to secure a temporary replacement vessel, and they have developed specifications for that temporary replacement vessel.

Why would they choose to give those specifications to a single yard and ask for a bid rather than say, "Here are our specifications," and open it up to competitive bidding? How did they make the decision that they would go sole source, and how did they choose this particular yard over other yards that, presumably, were prepared to bid on the process?

[Translation]

Senator Carignan: As I said, senator, we're talking about providing interim refuelling capability for the Canadian Navy. It was therefore deemed appropriate for the government to enter into discussions with Davie shipyard.

[English]

Hon. Wilfred P. Moore: My question is also to the Leader of the Government in the Senate. Before I get to the matter of the proposed replacement vessel, what is the current status of the construction of the two replacement supply vessels at Seaspan Shipyards?

[Translation]

Senator Carignan: I can get back to you with an answer on that in the coming weeks.

[English]

Senator Moore: Are you saying you are taking my question under advisement? It is a simple question.

[Translation]

Senator Carignan: Yes, that's what I said, Senator Moore.

[English]

Senator Moore: With regard to the replacement vessel, the news release says the plan would be to retrofit an existing vessel to bridge the gap. Are we talking about one vessel to do the job of two?

[Translation]

Senator Carignan: We are looking for a way to provide interim refuelling capability. The government has entered into discussions with Davie shipyard to provide the Royal Canadian Navy with that capability.

[English]

Senator Moore: The yard would do the work. I'd like to know a bit about the vessel. Are we talking about a vessel that's currently being used by another country, by another navy? Does it have the capacity to provide the fuel needs that were carried out by the two vessels before? Where is the vessel? What is the cost of it? Are we buying it or leasing it? What is the cost of this project?

[Translation]

Senator Carignan: Your question has several parts. All I will say is that our government has entered into discussions with Davie shipyard to provide the Royal Canadian Navy with interim refuelling capability.

[English]

Senator Moore: As you said, the yard is not building the vessel. They are going to refit an existing vessel.

Could you please tell us about the existing vessel? Where is it now? What is the timing of its delivery to the yard for the commencement of the refitting?

[Translation]

Senator Carignan: As I said, the government has entered into discussions with Davie shipyard.

[English]

Senator Moore: It is fine that you have begun discussions with the yard with regard to retrofitting a vessel, but you can't sit down and talk about retrofitting a vessel without knowing what the vessel is, I would suggest.

What is the vessel? Where is she now? Are we leasing it or purchasing it? What is the projected cost of this project?

[Translation]

Senator Carignan: We are having discussions with Davie shipyard, and the goal is provide the Royal Canadian Navy with interim refuelling capability.

[English]

Senator Moore: I understand all of that, but that begs the question: Has the Government of Canada, through the Royal Canadian Navy, together or separately, purchased or leased another vessel?

[Translation]

Senator Carignan: Senator, I get the impression that you're trying to get blood from a stone.

[English]

An Hon. Senator: That would be easier.

[Translation]

Senator Carignan: Again, the government has entered into discussions with Davie shipyard to provide the Royal Canadian Navy with interim refuelling capability.

[English]

Senator Cowan: Let me follow up on Senator Moore's question. Have you identified a specific vessel which is the subject of your conversations with Davie?

[Translation]

Senator Carignan: As I said to Senator Moore, the government is having discussions with Davie shipyard to provide the Royal Canadian Navy with interim refuelling capability.

[English]

Senator Cowan: I don't understand that you can have discussions which don't involve a particular vessel. You could have a vessel that is 100 metres long, and another vessel that is 200 or 75 metres long, and one has been a passenger ship, the other has been a trawler and another one has been a ferry. Until you have a specific vessel in mind, how could you be having these discussions? Has the government identified a specific vessel that it is discussing with Davie, yes or no?

[Translation]

Senator Carignan: The goal is to provide the Royal Canadian Navy with interim refuelling capability. To achieve that goal, the Government of Canada has entered into discussions with Davie shipyard.

[English]

An Hon. Senator: The end goal is looking like you're doing something before the election. That's the goal.

NATIONAL CAPITAL COMMISSION

APPOINTMENT OF DIRECTORS

Hon. Jim Munson: I have a question for the Leader of the Government in the Senate.

I am reading here that the National Capital Commission has just revealed a smaller, redesigned Memorial to Victims of Communism. They have unveiled a redesigned plan for the controversial memorial, much smaller than the original design, but still not in a very good place. It looks like it will now only take 37 per cent of the grounds in front of Supreme Court as opposed to 60 per cent.

That has just happened, and yet your government has just quietly made five new appointments to the board of directors of the National Capital Commission. I wonder how that happened.

The *Ottawa Citizen* noted in its report this morning that this was done on the eve of the contentious NCC meeting. This is a meeting tonight where people are supposed to give public input into this very controversial memorial.

Nobody disagrees with the idea of having a memorial to victims of communism. This city, the majority of the residents — architects, city council, you name it in this town — do not like its location. Why is your government so unwilling to entertain any criticisms or questions about this project?

• (1410)

The whole idea of these five new appointments, did that happen out of nowhere and it just so happened they were Conservative appointments?

[Translation]

Hon. Claude Carignan (Leader of the Government): Senator, I will take no lessons from a Liberal government or former Liberals when it comes to partisan appointments. Your record on that is such that we could never hope to make even 10 per cent of the partisan appointments you made in your history.

As for victims of communism, as I have said, this is a commemorative monument honouring the memory of the more than 100 million people who lost their lives under communist regimes. It will pay tribute to the Canadian ideals of freedom, democracy and respect for human rights.

Senator, over eight million Canadians have roots in countries that suffered under communism. Our government committed to paying tribute to victims of communism in its 2010 Speech from the Throne. We are keen to keep that promise.

The location of the memorial near the Supreme Court of Canada is altogether fitting considering its theme.

[English]

Senator Munson: That's the issue. Nobody has any issue with the idea of a monument to the victims of communism. At one time you were going to call it the memorial to victims of totalitarian communism, but somehow that was removed by Mr. Baird.

If you are going to listen to the people, why not listen to the people of Ottawa? They have said very clearly that this monument is in the wrong place and should be put in another spot.

This area was a designated parliamentary and judicial precinct for the Supreme Court of Canada, for the House of Commons, you name it, that's what this was about, and everybody knows that. Because of political partisanship and because of others who have been influencing this government, they decided: "What a wonderful place for this monument."

When you talk about victims of communism having lived in what Conservatives once called Red China, communist China, will this memorial also talk about the Chinese victims of communism in that country, a country that we are doing business with each and every day?

[Translation]

Senator Carignan: Senator, as I said, the monument will honour the more than 100 million lives lost under communist regimes and pay tribute to the Canadian ideals of freedom, democracy and respect for human rights. I believe that its location near the Supreme Court of Canada, the symbol of the rule of law, is entirely appropriate.

CITIZENSHIP AND IMMIGRATION

DEPORTATION OF BURUNDI NATIONALS

Hon. Mobina S. B. Jaffer: Honourable senators, my question is for the Leader of the Government in the Senate and concerns the deportation of Burundians on Canadian soil. As you know, Burundi is a member of the Francophonie, and many Burundians live in Canada. However, about 50 of those individuals have received notices of deportation.

Leader, does Canada intend to reconsider its decision to deport these people?

Hon. Claude Carignan (Leader of the Government): Senator, as I have always maintained, we are very cautious when a country's political situation poses risks to the safety of individuals. The situation is thoroughly reviewed on a regular basis and takes into account the various events that give rise to crises in different countries.

Senator Jaffer: Thank you, leader, for your answer. I realize that this is a delicate situation. However, does Canada intend to be proactive and ensure that the safety of these individuals is central to the discussions and considerations?

Senator Carignan: Senator, as you know, the safety of individuals is always our priority when we make these types of decisions.

[English]

Senator Jaffer: Leader, I've had many people from rural communities in Quebec, people who were originally from Burundi, and many living in Montreal, phoning me to say they are receiving notices of deportation. My question to you is: Will the government stop sending those notices?

[Translation]

Senator Carignan: Senator, as I said, the Department of Foreign Affairs reviews almost daily the political situation of the various countries to ensure that the safety or the lives of people are not placed in immediate danger when deportation orders are issued.

[English]

Senator Jaffer: I appreciate your answer, and I believe you are really trying to answer my question. May I respectfully ask that you find out if they are going to stop sending notices to the people from Burundi until the situation in Burundi settles down?

[Translation]

Senator Carignan: Senator, as I have always said every time you raised questions about the geopolitical situations in these countries that could threaten people's safety, Canada is always concerned about humanitarian crisis such as the one in Burundi at present. We will continue to play a central role to ensure the development of intervention mechanisms that will enable the international community to respond to the crisis as effectively as possible.

[English]

NATIONAL DEFENCE

PROCUREMENT—NAVAL SHIPS

Hon. Grant Mitchell: I'd like to go back to the boats. We have tried to establish why you haven't clarified why the retrofit hasn't been tendered. You've neglected to answer Senator Moore's question as to whether the ship will be bought or leased, but that begs a further question, which is this: While we know you haven't tendered the retrofit, have you tendered the buying or the leasing of the ship in the first place?

[Translation]

Hon. Claude Carignan (Leader of the Government): Senator, as I indicated in my answers to Senator Moore's and Senator Cowan's questions, the government has entered into discussions with Davie shipyard in order to provide the Royal Canadian Navy with interim refuelling capability.

[English]

Senator Mitchell: Does that mean that Davie shipyard is just going to go out and find a ship by itself? And if that's the case, are they going to negotiate the price or tender it? Are you just going to go out and pay whatever it is you need to pay without any competitive process? I thought you were a Conservative government that worried about costs.

[Translation]

Senator Carignan: Senator, you shouldn't try to get everyone worked up by fearmongering. I replied that the government has entered into discussions with Davie shipyard in order to provide the Royal Canadian Navy with interim refuelling capability, at the lowest possible cost to Canadian taxpayers, just as we do for all decisions made by this government.

• (1420)

[English]

BUSINESS OF THE SENATE

The Hon. the Speaker: I remind all honourable senators, and particularly one of my colleagues from the beautiful province of Manitoba, that we have a long-standing tradition in the Senate that when a colleague is standing and speaking, no senator should stand or cross between the senator speaking and the chair. I remind all honourable senators to respect the decorum and rules of the chamber. Thank you.

ORDERS OF THE DAY

ECONOMIC ACTION PLAN 2015 BILL, NO. 1

FIFTEENTH REPORT OF INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION COMMITTEE ON SUBJECT MATTER—DEBATE ADJOURNED

The Senate proceeded to consideration of the fifteenth report of the Standing Committee on Internal Economy, Budgets and Administration (Subject matter of Bill C-59 (Division 10 of Part 3)), tabled in the Senate on June 4, 2015.

Hon. James S. Cowan (Leader of the Opposition): Honourable senators, the government, in its wisdom, has decided that even though the House of Commons has been adjourned for six days now, the Senate should continue in session solely to deal with Bill C-377. That is why we are here today. But in my view, so long as we are here, there are in fact a number of other more important items on our Order Paper that we should take this opportunity to debate.

On May 14 of this year, our Standing Committee on Internal Economy, Budgets and Administration was asked to examine the subject matter of certain aspects of the budget bill, Bill C-59. The committee tabled its report on Thursday, June 4. Yet, colleagues, not a single word has been spoken in this chamber about this important report.

When I spoke last week about Bill C-586, the reform bill of Michael Chong, I said that all too frequently we are simply going through the motions of giving each bill its due consideration as required by our parliamentary system. All too often, we are simply giving lip service, if you will, to the process of parliamentary deliberations that is the foundation of our parliamentary democracy. I singled out pre-studies as a prime example of this, asking how many pre-studies have we conducted under this government, on bills of critical importance to Canadians, where we then never even bother to have these reports tabled in this chamber on the pre-study or, if tabled, not debated.

It's a betrayal of traditional and thoughtful parliamentary practice when this government resorts as a matter of routine to omnibus bills to carry out its legislative agenda. As Senator Murray explained, one day will Parliament receive a single, massive omnibus bill every session to implement the entire legislative agenda of the government of the day?

Prime Minister Harper, before he became Prime Minister, was a strong, principled opponent of omnibus bills. In 1994, he rose in the other place to object to a much more modest omnibus budget bill. This is what he said then:

I put it to you, Mr. Speaker, that you should rule it out of order . . .

He argued:

. . . the subject matter of the bill is so diverse that a single vote on the content would put members in conflict with their own principles.

He said that the bill was "beyond what is acceptable from a strictly parliamentary standpoint."

He was right in 1994. Unfortunately, his concerns for what is acceptable in a parliamentary democracy were apparently easily set aside when he came to power. It isn't only the now-routine use of omnibus bills, but the fact that Parliament is not even allowed to debate them. Indeed, cutting off debate, imposing time allocation — a guillotine, as so many parliamentarians have referred to it — is instead characterized by this government as a "scheduling device."

Limiting debate in Parliament on bills that will profoundly shape and reshape our country is not a scheduling device, colleagues. It is evidence of profound disrespect for our parliamentary democracy.

The Harper government recently passed a milestone, colleagues — the hundredth time it moved time allocation in the other place. That is a milestone of shame.

Ostensibly to compensate for presenting us with omnibus bills, the government now routinely chops these omnibus bills into smaller pieces and sends them out to various standing committees for pre-study. This flies in the face of the Senate as a chamber of sober second thought. This unilaterally transforms the Senate into a chamber of sober simultaneous thought. We conduct these pre-studies even though the bills themselves may be amended in the other place.

But then, any value in these pre-studies is completely lost when the studies are conducted and the reports are tabled and never again mentioned.

The fifteenth report of our Internal Economy Committee is a case in point. It reported on a pre-study of the provisions of the last omnibus budget bill that established the new Parliamentary Protective Service, an issue of enormous significance to this institution, not least because of its impact on our parliamentary democracy.

Colleagues will recall the preliminary debate we had on this issue back in February when the government put forward a motion to recognize the necessity of fully integrated security throughout the parliamentary precinct and to invite the RCMP to lead operational security. I spoke at the time, saying it was an important debate that touched on many significant issues, and I urged all honourable senators to intervene in the discussion.

We had a number of good speeches in that debate. Many very serious concerns were raised by a number of senators on this side. However, I was disappointed that, apart from the government leader who moved the motion and the deputy leader who unfortunately quickly moved time allocation on the motion, not a single Conservative senator saw fit to enter the debate.

Colleagues, the issue in that debate and in the pre-study before us now is quite simply who controls security and therefore access to and within Parliament. As I said in February, it's a foundational principle of our Westminster parliamentary democracy that the Crown cannot control access to Parliament. It is and must be parliamentarians who control that access.

Yet as became clear from the testimony heard by our Committee on Internal Economy during the pre-study, the new Parliamentary Protective Service is structured in such a way as to raise questions about the future upholding of that foundational principle. But this is not reflected in the report before us today. Let me explain.

The proposal that was the subject of the pre-study was the creation of a new parliamentary protective service that would include active members of the RCMP and would be headed up by a director who himself is an active member of the RCMP. This, of course, is a change from what existed previously. The Sergeant-At-Arms in the other place and the Black Rod here in the Senate have been retired members of the RCMP or the military. The emphasis is on "retired" members.

Our Senate Law Clerk testified before our Internal Economy Committee during this pre-study. Mr. Patrice gave important testimony, in particular pointing out that, as proposed, the director of the new Parliamentary Protective Service and all other RCMP officers in that service would:

. . . be accountable to the RCMP commissioner through the RCMP chain of command for ensuring that the RCMP meets its responsibilities according to the terms of service included in the arrangement between the Speakers, the Minister of Public Safety and the RCMP.

That's a quotation from Mr. Patrice. Now, under this new regime, the director "will be accountable to the Speakers for the management and performance of the Parliamentary Protective Service." That again is a quote from Mr. Patrice.

But colleagues, that's separate from his ultimate accountability to the RCMP commissioner. The RCMP Act is very clear. Senator Joyal drew that to our attention during our debate in February, section 5 for those who have the RCMP Act in front of them. The RCMP commissioner: ". . . has the control and management of the Force and all matters connected with the

Force.” But, and this is the critical part, that is “under the direction of the Minister,” and the minister is defined to mean the Minister of Public Safety and Emergency Preparedness. So you have the minister directing the RCMP commissioner, and that is to whom the new director will be accountable through the RCMP chain of command.

Some of the implications of this were raised by members of our committee during the pre-study. For example, Senator Downe pointed out that the person heading the new Parliamentary Protective Service now will be a permanent member of the RCMP whose future career depends to a large degree on the Commissioner of the RCMP, to whom that person reports. Senator Downe asked:

Do the Speakers, in effect, become advisers while the Commissioner of the RCMP is the decider?

He then drew the critical conclusion:

Let’s be under no illusions: We are conceding authority for security decisions to the Commissioner of the RCMP in the final analysis. That’s a statement.

• (1430)

Colleagues, Senator Downe raised a very important point, one that I was disappointed to see was not reflected in the committee report before us. We were assured, both through statements by government ministers in the other place and by Senator Carignan here, that the intent of the February motion was not to interfere with or erode Parliament’s fundamental and critical right to manage its own affairs. But by leaving intact the provisions of the RCMP Act, that stated intent would not appear to have been realized. The new Director of the Parliamentary Protective Service will be answerable to the Commissioner of the RCMP and, through him, to the Minister of Public Safety and, therefore, the government — and that poses very serious issues.

To put it at its most extreme, the government will have the ability to control parliamentarians’ access to Parliament. We are overturning centuries of hard-won, foundational rights of Parliament. As I said back in February, lives on both sides were lost in the struggle to ensure that parliamentarians — not the Crown, now the government — control access to this place. That is the origin of the tradition of our Black Rod knocking on the closed doors of the other place to convey the Crown’s request that members attend her for the Speech from the Throne, because the Crown cannot control access to Parliament. It is and must be parliamentarians who control that access.

The English civil war started when King Charles I breached that principle. He entered the House of Commons, sat in the Speaker’s chair and demanded the production of five members he wanted arrested for treason. That conflict did not end well for Charles I; he ended up losing his head.

That is our history, the legacy of centuries passed to us to uphold, a fundamental, constitutional principle that underlies Parliament and its power and authority. I appreciate that it may seem antiquated or perhaps even quaint to defend this right of Parliament. No one is suggesting that any government is likely to

bar the doors of this place any time soon, and all of us appreciate the gravity of the threat of terrorism that has led to this new regime. But, colleagues, for some perspective, Charles I was dealing with cases of alleged treason and I’m quite confident that he would have equated their seriousness to the Crown, the government of the day, with the threats our Parliament and government now face.

It is not that long ago that there was a Speaker who controversially locked the doors — some said prematurely — and prevented certain senators from entering this chamber for a vote. I wasn’t here at the time, but I certainly heard about that incident. That was, to say the least, highly controversial, but it reinforces that these are rights that ought not to be casually relinquished.

As Senator Downe said during the pre-study hearing at the committee, “On the division between the state and Parliament, we can go back to the Magna Carta.” Colleagues, many of us have celebrated the fact that this year, as part of the eight hundredth anniversary tour of the Magna Carta, one of the original copies of that great document will be on display across Canada. I think, as we speak, it is here in Ottawa now. How ironic that we celebrate that anniversary by casually — without even a debate in this chamber — relinquishing this foundational principle of the separation between government and Parliament.

I was disappointed not to see this critical issue addressed in the fifteenth report of Internal Economy. Fundamentally, it is wrong to allow this split reporting, this potential of a conflict. It can easily be resolved by amending the RCMP Act.

MOTION IN AMENDMENT

Hon. James S. Cowan (Leader of the Opposition): Accordingly, pursuant to rule 5-7(a), I move:

That the report be amended, by deleting the heading “Conclusion” and all words following it, and replacing them with the following:

Your committee is however very troubled that Bill C-59 did not include any amendments to the Royal Canadian Mounted Police Act to provide that the Director of the Parliamentary Protective Service, and all other RCMP members of the Parliamentary Protective Service, report to and are subject to the control and management of the Speakers of the Senate and the House of Commons and not the Commissioner of the Royal Canadian Mounted Police. Your Committee heard that the Director will be accountable to the Speakers “for the management and performance of the parliamentary protective service”, however he will also “be accountable to the RCMP commissioner through the RCMP chain of command to ensure that the RCMP meets its responsibility according to the terms of service that is included in the arrangement between the Speakers, the Minister of Public Safety and the RCMP.

Your committee is troubled that this places the Director in an untenable conflict of interest, and threatens parliamentary privilege. Your committee

notes that in all the years of Liberal governments, including the very challenging time immediately after the terrible events of 9/11, Liberal prime ministers and governments were able to effectively protect Canadians' security and the security of the parliamentary precinct without breaching parliamentary privilege of any parliamentarian or Parliament as a whole. Your committee is troubled that the current government has failed to achieve this balance therefore necessitating the unprecedented changes set out in Bill C-59, and moreover that we are witnessing an attempted takeover of Parliament by the government by placing the Parliamentary precinct under the control of a protective service whose director will be reporting to the RCMP Commissioner who in turn reports to the Minister of Public Safety.

The Hon. the Speaker: It is moved by the Honourable Senator Cowan, seconded by the Honourable Senator Day, that this report not be adopted as is but pursuant rule to 5-7(a) —

Senator Martin: Dispense.

Some Hon. Senators: No.

The Hon. the Speaker: Pursuant to rule 5-7(a), it is moved by Senator Cowan:

That the report be amended, by deleting the heading "Conclusion" and all words following it, and replacing them with the following:

Your committee is however very troubled that Bill C-59 did not include any amendments to the Royal Canadian Mounted Police Act to provide that the Director of the Parliamentary Protective Service, and all other RCMP members of the Parliamentary Protective Service, report to and are subject to the control and management of the Speakers of the Senate and the House of Commons and not the Commissioner of the Royal Canadian Mounted Police. Your Committee heard that the Director will be accountable to the Speakers "for the management and performance of the parliamentary protective service", however he will also "be accountable to the RCMP commissioner through the RCMP chain of command to ensure that the RCMP meets its responsibility according to the terms of service that is included in the arrangement between the Speakers, the Minister of Public Safety and the RCMP.

Your committee is troubled that this places the Director in an untenable conflict of interest, and threatens parliamentary privilege. Your committee notes that in all the years of Liberal governments, including the very challenging time immediately after the terrible events of 9/11, Liberal prime ministers and governments were able to effectively protect Canadians' security and the security of the parliamentary precinct without breaching parliamentary privilege of any parliamentarian or Parliament as a whole. Your committee is troubled that the current government has failed to achieve this balance therefore necessitating the unprecedented

changes set out in Bill C-59, and moreover that we are witnessing an attempted takeover of Parliament by the government by placing the Parliamentary precinct under the control of a protective service whose director will be reporting to the RCMP Commissioner who in turn reports to the Minister of Public Safety.

On debate, the Honourable Senator Mitchell.

Hon. Grant Mitchell: Colleagues, I rise in support of Senator Cowan's amendment of the fifteenth report of our committee on Internal Economy. I share with him the feeling of being deeply troubled by this government's practice of having our committee spend time on pre-studies that never get debated, or worse, not even tabled in the chamber. Pre-studies have become, in effect, a kind of veneer used by this government to try to cover up the damage it has done to the very foundation of our parliamentary democracy.

All of us want the Parliamentary Precinct to be safe and secure, not only for us, but in particular for the thousands of Canadians who come here every year to witness their Parliament in action, to tour the facilities and to meet with parliamentarians and others. Colleagues, what is the value a safe and secure precinct if we have secured it by undermining the very essential qualities of Parliament itself?

As Senator Cowan has described, unless we amend the RCMP Act, unless we ensure that the new Director of the new Parliamentary Protective Service is not under the direction of the Commissioner of the RCMP and through the commissioner under the direction of the Minister of Public Safety and therefore under the direction of government — which is literally unprecedented — then we will have cast aside centuries of parliamentary rights and privileges, most importantly the right to control access to Parliament.

Is there a more fundamental right?

• (1440)

Colleagues, last February the motion we debated read as follows:

That the Senate, following the terrorist attack of October 22, 2014, recognize the necessity of fully integrated security throughout the Parliamentary Precinct and the grounds of Parliament Hill, as recommended by the Auditor General in his 2012 report and as exists in other peer legislatures; and call on the Speaker, in coordination with his counterpart in the House of Commons, to invite, without delay, the Royal Canadian Mounted Police to lead operational security throughout the Parliamentary Precinct and the grounds of Parliament Hill, while respecting the privileges, immunities and powers of the respective Houses, and ensuring the continued employment of our existing and respected Parliamentary Security Staff;

Senator Cowan moved an amendment to that motion as follows:

... that this motion be not now adopted, but that it be amended by inserting immediately before the words "while respecting the privileges, immunities and powers of the

respective Houses” the words “reporting to the two Speakers”, so that this portion of the motion would read: “to invite, without delay, the Royal Canadian Mounted Police to lead operational security throughout the Parliamentary precinct and the grounds of Parliament Hill, reporting to the two Speakers.

I repeat:

... reporting to the two Speakers, while respecting the privileges, immunities and powers of the representative Houses.

Senator Cowan, in other words, anticipated the very problem we are facing now — it’s not surprising that he would — namely, that by inviting the RCMP to head up the new protective force, Parliament is ceding control to the precinct of government.

Senator Carignan, on behalf of the government, replied by reassuring — and I use that word loosely — the chamber that the intent of the motion was to give maximum power and responsibility to the Speaker and not to the government. Senator Carignan told Senator Cowan that “It seems to me that the original motion gives the Speaker much more power and many more responsibilities. That is the intent of the motion.”

Unfortunately, the government then moved time allocation — quelle surprise — so honourable senators were deprived of the ability to fully and thoughtfully research and debate these issues. The government’s position seemed to be clear at the time, namely, that the intent of the motion was not to remove rights or privileges from Parliament. That is not what happened, as Senator Cowan has so capably described.

This move by the government to create this new structure of security forces and its intrusion into a fundamental right of access to Parliament needs to be put into context because it is one more step in the evolution by this government of gradually eroding rights that are fundamental to all Canadians.

Senator Cowan has mentioned, as have many others, the impact of omnibus bills on the ability for Parliament to properly review legislation and to express its opinions specifically through the vote on specific matters that are now lumped into omnibus bills resulting in a single vote. They have used closure over and over; I think Senator Cowan noted that it was 100 times in the other place. They’ve used closure many times here. In fact, today we just received a motion that won’t be closure because they can’t actually do it, but the intent and the sentiment is there. Where would they have learned that? Why, undoubtedly, of course, from the other side.

There has been a patent failure over the nine and a half going on 10 years of a government’s pre-disposition or inclination to accept any real or thoughtful amendments to any of its bills. There have been serious allegations of voter suppression and manipulating of the electoral system. In fact, one of their most prominent members, a parliamentary secretary to the Prime Minister, was just sentenced today to a month in jail for having done exactly that.

There has been the great and broad threat to Canadians’ fundamental Charter rights and rights to due process through the implementation of Bill C-51. Bit by bit — and sometimes bigger bit by bigger bit — the government has begun to encroach upon and repress democracy and democratic values. I call it “repression creep.” We see repression creep more and more. I’m not referring to anyone in particular; I’m referring to a process. There are a few people who come to mind when I think about repression creep, but I won’t go there.

I believe the pre-study report should properly reflect the concerns that have been appropriately expressed by Senator Cowan, which it currently does not.

MOTION IN SUBAMENDMENT

Hon. Grant Mitchell: Therefore, I propose a subamendment, as follows. I move:

That the motion in amendment be not now adopted, but that it be further amended by adding immediately after the last sentence the following:

Conclusion

Your Committee is therefore concerned that Division 10 of Part 3 of Bill C-59 does not strike the best balance between the competing needs at play in the provision of security throughout the parliamentary precinct and the grounds of Parliament Hill, and that the proposed measures do not fully respect the letter and spirit of the resolutions of February 2015 while upholding parliamentary privilege.

The Hon. the Speaker: For the purposes of debate, will the house grant stacking of this subamendment?

Some Hon. Senators: No.

The Hon. the Speaker: It is moved by the Honourable Senator Mitchell, seconded by the Honourable Senator Moore, as a subamendment I move:

That this motion be not now adopted but that it further —

Senator Martin: Dispense.

Some Hon. Senators: No.

The Hon. the Speaker: I will begin again.

That the motion in amendment be not now adopted, but that it be further amended by adding immediately after the last sentence the following:

“Conclusion

Your Committee is therefore concerned that Division 10 of Part 3 of Bill C-59 does not strike the best balance between the competing needs at play in

the provision of security throughout the parliamentary precinct and the grounds of Parliament Hill, and that the proposed measures do not fully respect the letter and spirit of the resolutions of February 2015 while upholding parliamentary privilege.”

On debate.

[*Translation*]

Hon. Claude Carignan (Leader of the Government): I move adjournment of the debate in my name.

[*English*]

Some Hon. Senators: No.

The Hon. the Speaker: It was moved by the Honourable Senator Carignan, seconded by the Honourable Senator Marshall, that further debate be adjourned until the next sitting of the Senate.

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

Some Hon. Senators: No.

Some Hon. Senators: Yes.

The Hon. the Speaker: Will those honourable senators in favour of the motion please say “yea”?

Some Hon. Senators: Yea.

The Hon. the Speaker: Will those honourable senators opposed to the motion please say “nay”?

Some Hon. Senators: Nay.

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

And two honourable senators having risen:

The Hon. the Speaker: I see a number of senators rising. Do we have an agreement on the bell?

Senator Munson: One-hour bell.

The Hon. the Speaker: One-hour bell it is. That will bring the vote at 3:49.

Please call in the senators.

[The Hon. the Speaker]

• (1550)

Motion agreed to and debate adjourned on the following division:

YEAS THE HONOURABLE SENATORS

Andreychuk
Ataullahjan
Batters
Beyak
Black
Carignan
Dagenais
Doyle
Eaton
Enverga
Frum
Gerstein
Greene
Lang
LeBreton
Maltais
Manning
Marshall

Martin
Mockler
Neufeld
Ngo
Oh
Patterson
Plett
Poirier
Raine
Rivard
Runciman
Seidman
Stewart Olsen
Tannas
Tkachuk
Wallace
White—35

NAYS THE HONOURABLE SENATORS

Baker
Campbell
Chaput
Cools
Cowan
Dawson
Day
Eggleton
Hervieux-Payette

Hubley
Jaffer
Joyal
Kenny
Merchant
Mitchell
Moore
Munson
Ringuette—18

ABSTENTIONS THE HONOURABLE SENATORS

Nil

ELEVENTH REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE ON SUBJECT MATTER—DEBATE ADJOURNED

The Senate proceeded to consideration of the eleventh report of the Standing Senate Committee on Banking, Trade and Commerce (Subject matter of Bill C-59 (Divisions 14 and 19 of Part 3)), tabled in the Senate on June 4, 2015.

Hon. Pierrette Ringuette Colleagues, on May 14, our Committee on Banking, Trade and Commerce was asked to pre-study Divisions 14 and 19 of Part 3 of the budget bill,

Bill C-59. I would like to commend the chair, Senator Gerstein, and the deputy chair, Senator Hervieux-Payette, as well as the other members of our committee for their diligent work on this pre-study reference.

Division 19 of Part 3 of the budget bill added provisions to the Trust and Loans Companies Act, to the Bank Act, to the Insurance Companies Act and to the Cooperative Credit Associations Act in order to clarify the protection of prescribed supervisory information that relates to federally regulated financial institutions such as insurers and bankers.

Clause 232 adds subsection 504.1 to the Trust and Loan Companies Act to clarify that prescribed supervisory information shall not be used as evidence in any civil proceedings and is therefore classified as privileged information.

This clause adds section 504.2 to the Trust and Loans Companies Act to clarify that a court, tribunal or other body cannot compel oral or written testimony from any person with respect to prescribed supervisory information.

This clause adds subsection 504.3(a) to the Trust and Loans Companies Act, which creates an exception to the evidentiary privilege added in section 504(e). Specifically, 504.3(a) indicates that despite what is written in 504.1, the Minister of Finance, the Superintendent of Financial Institutions or the Attorney General of Canada may use prescribed supervisory information as evidence in any legal proceedings.

This clause adds subsection 504.3(b) to the Trust and Loans companies Act, which creates an exception to the evidentiary privilege added in subsection 504.1. Specifically, 504.3(b) indicates that despite what is written in 504.1, a company may use prescribed supervisory information as evidence in any legal proceeding which relates to the administration and enforcement of the Trust and Loan Companies Act or the Winding-Up and Restructuring Act, so long as the legal proceeding is commenced by the company, the Minister of Finance, the Superintendent of Financial Institutions or the Attorney General of Canada.

This clause adds subsection 504.4 to the Trust and Loan Companies Act, which creates an exception to subsection 504.1 and 504.2, as well as section 39.1 of the Office of the Superintendent of Financial Institutions Act. Specifically, subsection 504.4 indicates that despite what is written in 504.1 and 504.2, a court, tribunal or other body may require the Minister of Finance, the Superintendent of Financial Institutions, or a company to give oral or written testimony with respect to prescribed supervisory information in any civil proceeding which relates to the administration or enforcement of the Trust and Loan Companies Act commended by the Minister of Finance, the Superintendent of Financial Institutions, the Attorney General of Canada or the company.

This clause adds subsection 504.5 to the Trust and Loan Companies Act to clarify that if prescribed supervisory information is disclosed under circumstances other than those exceptions described under subsections 504.3(a) and (b) and 504.4, the disclosure of the information in this instance does not constitute a waiver of the privilege in 504.1.

As Mr. Frank Zinatelli of the Canadian Life and Health Insurance Association explained to the committee on May 27:

Financial institutions share information that permits OSFI to do three things: First, to supervise financial institutions to determine whether they are in sound financial condition and complying with their governing law and supervisory requirements; second, to promptly advise financial institutions in the event deficiencies are identified and require necessary corrective action to be taken expeditiously; and third, to advance and administer a regulatory framework that promotes the adoption of policies and procedures designed to control and manage risk.

If there were a risk that prescribed supervisory information was subject to disclosure in civil proceedings, it would likely impede communications between OSFI and the entities it regulates, which in turn may impede OSFI's ability to react quickly in identifying deficiencies and trends in the marketplace, to the detriment of the safety and soundness of the Canadian financial system.

As you well know, I do not agree with that.

The amendments provided for in Bill C-59 will ensure that the intent of Parliament to maintain the confidentiality of supervisory information is maintained and would match similar provisions in other legislation, such as the Statistics Act. These changes were widely supported, but — as I dissented on that support — nevertheless, though the intention may be laudable, will they have their intended effect?

• (1600)

I believe that a review of their impact after they have been in place for a few years would be a useful exercise.

MOTION IN AMENDMENT

Hon. Pierrette Ringuette: Therefore, honourable senators, I move:

That the eleventh report of the Standing Senate Committee on Banking, Trade and Commerce be amended by adding immediately before the words "Respectfully submitted" the following: "Nevertheless, the committee believes that the changes to the Trust and Loans Companies Act, the Bank Act, the Insurance Companies Act, and the Cooperative Credit Association Act should be reviewed in three years to determine their effectiveness."

Colleagues, I believe that on a regular basis the Banking Committee is asked to review the Bank Act every five years, and this is a major change in regard to the way that we deal and that especially OSFI deals with financial institutions in Canada, and I absolutely believe that this particular report and how we amend the different acts through an omnibus bill requires a review by the committee in three years' time.

Some Hon. Senators: Hear, hear.

• (1700)

The Hon. the Speaker: It is moved by the Honourable Senator Ringuette, seconded by the Honourable Senator Eggleton:

That the eleventh report of the Standing Senate Committee on Banking, Trade and Commerce be —

Senator Martin: Dispense.

Some Hon. Senators: No.

The Hon. the Speaker: Continuing:

— amended by adding immediately before the words “Respectfully submitted” the following: “Nevertheless, the committee believes that the changes to the Trust and Loans Companies Act, the Bank Act, the Insurance Companies Act, and the Cooperative Credit Association Act should be reviewed in three years to determine their effectiveness.”

On debate, the Honourable Senator Carignan.

[Translation]

Hon. Claude Carignan (Leader of the Government): I move adjournment of the debate in my name.

[English]

The Hon. the Speaker: Senator Campbell.

Hon. Larry W. Campbell: Colleagues, I support the amendment —

The Hon. the Speaker: Senator Campbell, if he wants to move the adjournment — he was recognized first, and he still wants to give the adjournment and not offer debate — I have to move the adjournment.

All these in favour of the motion, please say “yea.”

Some Hon. Senators: Yea.

The Hon. the Speaker: All those opposed to the motion, please say “nay.”

Some Hon. Senators: Nay.

The Hon. the Speaker: I believe the yeas have it.

And two honourable senators having risen:

The Hon. the Speaker: I see a number of senators rising. Is there an agreement between the whips?

It will be a one-hour bell, and it will bring us to 5:04 p.m.

Call in the senators.

Motion agreed to and debate adjourned on the following division:

YEAS THE HONOURABLE SENATORS

Andreychuk
Ataullahjan
Batters
Beyak
Black
Carignan
Dagenais
Doyle
Eaton
Enverga
Frum
Gerstein
Greene
Lang
LeBreton
Maltais
Manning
Marshall

Martin
Mockler
Neufeld
Ngo
Oh
Patterson
Plett
Poirier
Raine
Rivard
Runciman
Seidman
Stewart Olsen
Tannas
Tkachuk
Wallace
White—35

NAYS THE HONOURABLE SENATORS

Baker
Campbell
Chaput
Cools
Cowan
Dawson
Day
Eggleton
Hervieux-Payette

Hubley
Jaffer
Joyal
Kenny
Merchant
Mitchell
Moore
Munson
Ringuette—18

ABSTENTIONS THE HONOURABLE SENATORS

Nil

TWENTY-SECOND REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON SUBJECT MATTER—DEBATE SUSPENDED

The Senate proceeded to consideration of the twenty-second report of the Standing Senate Committee on Social Affairs, Science and Technology (Subject matter of Bill C-59 (Division 15 of Part 3)), tabled in the Senate on June 3, 2015.

Some Hon. Senators: Debate. Debate!

The Hon. the Speaker: Over here?

An Hon. Senator: No, Mr. Speaker, there were two senators standing on that side. You are always looking on the wrong side.

An Hon. Senator: No.

The Hon. the Speaker: Excuse me, it is up to the Speaker to —

Some Hon. Senators: On debate!

Some Hon. Senators: Oh, oh!

The Hon. the Speaker: Honourable senators, it is not up to the chamber to decide whom the chair recognizes. I saw Senator Carignan rise first. That is who has the floor.

Some Hon. Senators: Oh, oh!

The Hon. the Speaker: The Honourable Senator Carignan.

Some Hon. Senators: Oh, oh!

An Hon. Senator: That's not fair.

The Hon. the Speaker: The chair recognizes the first person they see. It is not appealable, honourable senators. I think you all know the rules.

An Hon. Senator: Were you looking here?

The Hon. the Speaker: I was looking everywhere, indeed.

The honourable senator has the floor.

• (1710)

[Translation]

Hon. Claude Carignan (Leader of the Government): Honourable senators, I rise to participate in the debate on this twenty-second report of the Standing Senate Committee on Social Affairs, Science and Technology, which was tabled on June 3, 2015.

Honourable senators, we must not forget that a motion was moved in this chamber to allow various committees to study Bill C-59. Various committees studied the parts that they were assigned at length. The committee members had the opportunity to hear from witnesses and make recommendations as part of the study.

This part of the bill was sent to the Standing Committee on Social Affairs, Science and Technology. This committee is made up of senators who are well versed in the fields of science and technology, and it is chaired by Dr. Kelvin Ogilvie. I think all of our colleagues here recognize Senator Ogilvie's high degree of expertise. In my opinion, he is one of the eminent members of this chamber. We often look to him for an enlightened opinion, especially on matters related to science and medicine. He has an extraordinary reputation, he has had a long career, and I think we should pay close attention to his recommendations.

Senator Eggleton also helps lead the committee as Deputy Chair. He is a Liberal senator for whom I obviously have a great deal of respect. I don't know whether we get along because he also used to be a mayor, but I have a lot of respect for Senator Eggleton's opinion as the Deputy Chair of this committee. When he and Senator Ogilvie agree on the findings of a report, I think that we should give those findings a lot of weight.

I would also like to mention some other senators who contributed to this committee's 22nd report. Senator Chaput always carefully examines anything she is asked to study. She is here with us today, even though she probably spent yesterday celebrating the holiday in honour of French-Canadian culture. We also have a great deal of respect for her. Other eminent members of this committee . . .

(Debate suspended.)

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, it being 5:15 p.m., I must interrupt proceedings for the ringing of the bells for the deferred vote at 5:30 p.m.

Please call in the senators.

• (1730)

[English]

INCOME TAX ACT

BILL TO AMEND—THIRD READING—MOTIONS IN AMENDMENT, MOTION IN SUBAMENDMENT AND MOTION—MOTION IN AMENDMENT NEGATIVED

On the Order:

Resuming debate on the motion of the Honourable Senator Dagenais, seconded by the Honourable Senator Doyle, for the third reading of Bill C-377, An Act to amend the Income Tax Act (requirements for labour organizations);

And on the motion in amendment of the Honourable Senator Bellemare, seconded by the Honourable Senator Black, that the bill be not now read a third time but that it be amended in clause 1, on page 5,

(a) by replacing line 34 with the following:

“poration;”; and

(b) by adding after line 43 the following:

“(c) labour organizations whose labour relations activities are not within the legislative authority of Parliament;

(d) labour trusts in which no labour organization whose labour relations activities are within the legislative authority of Parliament has any legal, beneficial or financial interest; and

(e) labour trusts that are not established or maintained in whole or in part for the benefit of a labour organization whose labour relations activities are within the legislative authority of Parliament, its members or the persons it represents.”;

And on the subamendment of the Honourable Senator Cowan, seconded by the Honourable Senator Ringuette, that the motion in amendment be not now adopted but that it be amended as follows:

(a) by deleting the word “and” at the end of paragraph (a) of the amendment;

(b) by adding the following new paragraph (b) to the amendment:

“(b) by replacing line 36 with the following:

‘of which are limited to the’; and”; and

(c) by changing the designation of current paragraph (b) to paragraph (c);

And on the subsidiary motion of the Honourable Senator Ringuette, seconded by the Honourable Senator Eggleton, P.C., that the subamendment be not now adopted but that pursuant to rule 12-8(1), it, together with the amendment, be referred to Committee of the Whole for consideration and report, and that the Senate resolve itself into Committee of the Whole, immediately following Question Period on the second sitting day following the adoption of this motion;

And on the motion in amendment of the Honourable Senator Cordy, seconded by the Honourable Senator Jaffer, that the subsidiary motion be not now adopted but that it be amended by replacing the word “second” with the word “third”.

The Hon. the Speaker: The question is as follows: It was moved by the Honourable Senator Cordy, seconded by Honourable Senator Jaffer:

That the subsidiary motion be not now adopted but that it be amended by replacing the word “second” with the word “third”.

All those in favour of the motion in amendment will please rise.

Motion in amendment negated on the following division:

YEAS THE HONOURABLE SENATORS

Baker
Campbell
Chaput
Cools
Cowan
Dawson
Day
Eggleton
Hervieux-Payette

Hubley
Jaffer
Joyal
Kenny
Merchant
Mitchell
Moore
Munson
Ringuette—18

NAYS THE HONOURABLE SENATORS

Andreychuk
Ataullahjan
Batters
Beyak
Black
Carignan
Dagenais
Doyle
Eaton
Enverga
Frum
Gerstein
Greene
Lang
LeBreton
Maltais
Manning
Marshall

Martin
Mockler
Neufeld
Ngo
Oh
Patterson
Plett
Poirier
Raine
Rivard
Runciman
Seidman
Stewart Olsen
Tannas
Tkachuk
Wallace
White—35

ABSTENTIONS THE HONOURABLE SENATORS

Nil

[Translation]

BUSINESS OF THE SENATE

Hon. Claude Carignan (Leader of the Government): Obviously, I would have liked to continue paying tribute to the eminent members of the Social Affairs Committee because I have a lot of nice things to say about them. I have full confidence in the quality of the committee’s report. However, it seems to me that people are getting a bit tired, so in accordance with rule 5-13(1) of the *Rules of the Senate*, I move that the Senate now adjourn.

(The Senate adjourned until tomorrow at 9 a.m.)

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