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THE HONOURABLE DANIEL HAYS
SPEAKER

CONTENTS

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THE SENATE

Tuesday, June 28, 2005

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

Prayers.

[Translation]

I hope you will go and visit these exhibits and discover there not only the artistic value of the country, but also the love and the passion of the Italians. I wish you all a delightful visit.

[English]

SENATORS' STATEMENTS

EXHIBITS ON ITALY

Hon. Marisa Ferretti Barth: Honourable senators, this summer, the national capital region will resonate with the sounds of Italy. Two museums in the region will be presenting exhibits on this country: one, on the treasures of Pompeii, and the other, on the Renaissance in Florence.

From May 27 to September 12, 2005, the Canadian Museum of Civilization is presenting the exhibition *Pompeii*, which focuses on the stories of the people who were caught by surprise when Mount Vesuvius violently erupted and who did not manage to escape the catastrophe.

Archaeological digs have revealed for us today the tragedy this city experienced. The exhibit, which is premiering in North America, brings together some 500 paintings, objects, frescoes, sculptures, jewels, precious stones and articles from daily life.

The National Gallery of Canada has opened an exhibit entitled, *Leonardo da Vinci, Michelangelo and the Renaissance in Florence*, which runs from May 29 to September 5.

This exhibit includes some 100 works by artists who flourished between 1500 and 1550 in Florence. Michelangelo, Leonardo da Vinci, Raphael, Bronzino, Soligiani, and Piero di Cosimo are some of the artists whose extraordinary creativity may be admired.

This will be the first major exhibit of such rare and important works in Canada, indeed in North America. National Gallery curator David Franklin has been preparing the exhibit for over four years.

The exhibit was also made possible thanks to some 60 lenders, who agreed to release their works. As France Pilon mentions in *Le Droit*, it gives art lovers time to discover one of the richest artistic periods in the history of Florence through its paintings.

Honourable senators, as Chair of the Canada-Italy Interparliamentary Group, I have nothing but praise for this splendid display of art and congratulations for the two museums on their initiative.

MULTICULTURALISM DAY

Hon. Donald H. Oliver: Honourable senators, yesterday was Canada's third annual Multiculturalism Day. Multiculturalism Day was created by Royal Proclamation on November 13, 2002, to recognize and celebrate the economic, social and cultural benefits that Canada can realize as a result of its diversity. It also affords Canadians the opportunity to reaffirm our commitment to democracy, equality and diversity.

Currently, honourable senators, Canada encompasses more than 200,000 ethno-cultural communities, while visible minorities in total represent 13.4 per cent of Canada's population. Visible minorities account for one-third of our GDP.

In short, multiculturalism is an everyday reality for Canadians and a fundamental part of our collective identity. In spite of the race hatred and discrimination that continues to exist in Canada today, our Canadian model of multiculturalism is indeed a model for the world to follow.

Honourable senators, this model role was evident when Brazilian officials asked me in April to speak at a landmark international conference on diversity in Brasilia, Brazil, entitled "Advancing Racial Equality: a Dialogue on Policies." Conference organizers wanted a Canadian presence to speak about the promotion of diversity and how Canada's multicultural framework has functioned as an institutional model for integrating racial and ethnic minorities.

Latin America's legacy of systemic discrimination has been largely avoided in the public discourse for over a century. Officials hoped that a Canadian could outline our country's experience of promoting a policy of multiculturalism, and shed some light on potential building blocks to assist Latin American policy-makers in providing a public voice for the 100 million Black Brazilians and other visible minorities who are victims of Latin America's ongoing race crisis.

At the conference, my remarks focused on how Canada is a country of immigrants whose economic success is predicated on our ability to attract ethnic minorities from around the world. In Canada, multiculturalism is an economic necessity.

I also explained the historical background that underpins Canada's multiculturalism framework, and how biculturalism provided the basic conditions for multiculturalism; the accommodation of two cultures raised the possibility of accommodating additional cultures.

I conclude today, honourable senators, as I did in Brazil: Canada must fully embrace not only our country's diverse multicultural nature, but we must also further embrace the economic, social and cultural benefits that Canada enjoys as a result.

[Later]

Hon. Shirley Maheu: Honourable senators, since 1971 multiculturalism within a bilingual framework has been Canadian government policy — a policy that emphasizes the maintenance and sharing with all Canadians of the rich cultural backgrounds brought from a diversity of origins around the planet. As well, the policy is designed to differentiate Canadians from Americans and to foster a national pride distinct from other nations. In the pursuit of this policy, it is noteworthy to find that new Canadians indicate in surveys, in spite of their retention of some ethnic pride, that they enthusiastically identify themselves as being Canadians first.

Some of the characteristics of our multiculturalism have changed dramatically over the last half century. Until about 10 years following the Second World War, the immigrant flow to our shores was predominantly from Europe. By 1960, this pattern had changed dramatically across Canada and North America. American demographers project that in just 45 years, more than 50 per cent of the continental U.S. population will be Brown rather than Black or White. Canada will follow rapidly in that direction. More open attitudes towards inter-faith relationships and inter-racial marriages are transforming the face of North America.

Our spirit of multiculturalism dictates that age-old conflicts rooted in countries of origin have no place in the Canadian fabric. This balance between rejecting the elements of conflict, while embracing the positive diversity that new Canadians bring, has the great potential of realizing the mantra of "strength in diversity" that is so often mentioned when discussing the politics of multiculturalism.

It is obvious now that second generation immigrants quickly become significant participants in public policy activity in the political arena. In the 1990s, this activity was characterized by so-called ethno-cultural-based voting blocs at nomination meetings for the national political parties. Over the past five years, this trend has gone beyond mere voting blocs. Representatives of new ethno-cultural groups are seeking and winning nomination conventions for political office in our major urban centres, where 80 per cent of the population resides. Not only are they being elected to our provincial legislatures, but they are also joining the ranks of all the political parties in the House of Commons. We are at the cutting edge of a dramatic change in the composition of our institutions.

My backyard in Montreal is now the reflection of this multicultural pattern. It is a vibrant and dynamic community of diversity. Our new citizens everywhere are accepting the challenges of working and living together, sharing the best of what they bring to Canada from a multitude of origins.

On Canada Multiculturalism Day, yesterday, I salute all those who continue to promote our rich and growing diversity.

[Senator Oliver]

THE HONOURABLE ISOBEL FINNERTY

TRIBUTES ON RETIREMENT

Hon. Consiglio Di Nino: Honourable senators, I would like to add a few comments on the retirement of my friend, Isobel Finnerty. I was not able to do this prior to today, so I trust you will indulge me.

I first heard of Isobel Finnerty some years before she was appointed to the Senate. She was a political opponent, mainly in the Ontario federal campaigns, although her influence also extended into the provincial arena. She was what I call a campaign warrior, fiercely partisan and pretty darn effective. She was good at planting diversions, sometimes even successfully. For a tiny woman, she was a big foe.

Shortly after I arrived in the Senate, we struck up a friendship, mainly by telling each other political lies. Over the years, this friendship has grown to be one of respect and closeness because we truly have much in common. I am sure Isobel would agree we now consider each other warm friends.

• (1410)

As a senator, she has shed her partisanship and has approached issues in a fair and balanced manner. She has been cooperative, thoughtful and generous. We are often on the same side of issues although the voting records may not reflect this, and we have shared many valuable experiences. Here, I would like to tell Les, do not get the wrong idea.

Isobel, as we bid you adieu, I want you to promise me that retiring also means retiring from electioneering, which will allow my party to win a few more seats, both federally and provincially.

Isobel, my friend, "you done good," and we will surely miss you. I extend to you my warmest best wishes for many more years of fulfilling accomplishments and tender love from your family and friends. Grazie e arrivederci presto.

[Later]

Hon. Marilyn Trenholme Counsell: Honourable senators, I rise to pay tribute to Senator Isobel Finnerty. I have not had the joy of getting to know her well, as many of my fellow senators have. Yet, as I listened to the splendid tributes, I was struck by one particular thought: I believe that Senator Finnerty represents the hundreds of thousands of Canadian women who give lifetime support to our democratic process and who, all too often, receive little recognition.

As a senator from New Brunswick, I think of my mother and many other mothers and women of all ages who, like Senator Finnerty, work passionately and tirelessly behind the scenes to get our municipal, provincial and federal representatives elected. Most often, women work loyally to get men elected but slowly — very slowly — we are achieving a balance in this respect.

In New Brunswick, we all know Tony Barry, better known as the “Mother of the Liberal Party of New Brunswick.” In a sense, Senator Finnerty represents all the Tony Barrys across this nation. We owe Senator Finnerty and all the women like her in every province and territory an enormous and heartfelt vote of appreciation.

I do not think of her passage from this chamber as retirement. Rather, I ask her to continue to inspire other women not only to follow in her footsteps, but also to create their own new paths. I am asked continually to encourage girls and women to take their full place in the political process. I am only a little bit younger than Senator Finnerty, and what I learned from my conversations with young women is that they need role models. Senator Finnerty is a role model and she should remember always how much our youth look to us for guidance and support as they imagine their futures.

Senator Finnerty leaves us greatly loved, much appreciated and hugely admired. I hope she will take this legacy with her and will pass on all her experiences and skills to others. She can and will continue to, imbue others with those personal qualities that define her: simplicity, integrity, hard work, her smile and, perhaps most importantly, a deep and abiding love for Canada and the democracy that defines us. May God bless her.

HEALTH

BAN ON INTERNET BULK PRESCRIPTION DRUG EXPORTS

Hon. Mac Harb: Honourable senators, in response to the growing diversion of Canadian prescription drugs to the U.S., the Minister of Health has now announced a ban on the bulk export of these pharmaceutical products. This announcement came just as the U.S. Congress moved to pass legislation that would authorize massive bulk buying from Canada’s medicine supply. The minister’s action was in direct response to the growing Internet pharmacy industry and the concern that Canada would not be able to meet the prescription drug needs of approximately 280 million Americans without putting our supply for Canadians at risk.

Everyone is in agreement on this debate, from patient groups, to doctors, to the Internet pharmacy industry. We must ban the bulk export of our drugs so that Canadians are protected. I would like to congratulate the minister and his officials for taking this important step to protect individual Canadians and the online drug industry in Canada.

• (1420)

ROUTINE PROCEEDINGS

BUDGET IMPLEMENTATION BILL, 2005

REPORT OF COMMITTEE

Hon. Donald H. Oliver, Chair of the Standing Senate Committee on National Finance, presented the following report:

Tuesday, June 28, 2005

The Standing Senate Committee on National Finance has the honour to present its

FIFTEENTH REPORT

Your Committee, to which was referred Bill C-43, An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, has, in obedience to the Order of Reference of Tuesday, June 21, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

DONALD H. OLIVER
Chair

He said: Honourable senators, I am confident that leave to move to third reading of this bill forthwith will be unanimously and enthusiastically given.

The Hon. the Speaker: The Honourable Senator Oliver has asked for leave to proceed to third reading now. Is leave granted?

Hon. Senators: Agreed.

THIRD READING

Hon. Art Eggleton: Honourable senators, I move third reading of this bill.

The Hon. the Speaker: As no senator is rising to speak, are honourable senators ready for the question?

Hon. Senators: Question!

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

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

[Translation]

BILL TO AUTHORIZE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-48, to authorize the Minister of Finance to make certain payments.

Bill read first time.

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

[English]

Hon. Art Eggleton: Two days hence.

Hon. Marcel Prud’homme: Honourable senators, may I ask why two days hence and not one day hence?

The Hon. the Speaker: The *Rules of the Senate of Canada* provide for two days' notice of second reading.

Did the Honourable Senator Eggleton ask for leave to proceed in less time?

Senator Eggleton: I am not opposed to proceeding tomorrow, but I am following the normal procedure.

On motion of Senator Eggleton, bill placed on the Orders of the Day for consideration two days hence.

[Translation]

LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Lise Bacon: Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(a), I move:

That the Standing Senate Committee on Legal and Constitutional Affairs have power to sit at 4:00 p.m. on Wednesday, June 29, 2005, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

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

Hon. Senators: Agreed.

Motion agreed to.

[English]

QUESTION PERIOD

BUSINESS OF THE SENATE

ROYAL ASSENT OF BUDGET IMPLEMENTATION BILL, 2005

Hon. Ethel Cochrane: Honourable senators, will the government take steps to move ahead with Royal Assent for Bill C-43 today — now?

Hon. Jack Austin (Leader of the Government): Honourable senators, I am delighted with the cooperation of the official opposition with respect to Bill C-43, as represented by Senator Cochrane. I will contact the other place to learn whether they are able to participate in Royal Assent. They are rather busy today, but I will make that representation.

In the meantime, I would, of course, be delighted to have the same cooperation with respect to Bill C-48. We would be very happy to move that bill to committee this week, if the other side would agree that second reading debate might start tomorrow.

Senator Cochrane: Honourable senators, on June 5, 2004, the Prime Minister gave his personal commitment to Danny Williams and the people of Newfoundland and Labrador. That commitment was also expressed at that time by the Prime Minister to the local and national media. Today, the government can choose to put those words into action and follow through with its commitment to my province. Each day that passes, Newfoundland and Labrador loses a minimum of \$170,000. We have a unique opportunity to move this legislation off the agenda and implement it now.

Let the government not stall this matter any longer, please. Let us move forward with Royal Assent. I am sure the House of Commons could accommodate us as they accommodate other persons. Give Nova Scotians, as well as Newfoundlanders and Labradorians, the fair share of the revenue from their natural resource, which they truly deserve.

Hon. Senators: Hear, hear!

Senator Austin: Honourable senators, it is delightful to hear from Senator Cochrane at this late date in the progress of Bill C-43. For many weeks, her side held up the passage of that bill. The Province of Newfoundland and Labrador and the Province of Nova Scotia could have received their cheques quite some time ago. However, for partisan political reasons, that side held up and voted against Bill C-43, trying to defeat the bill and deprive those provinces of that revenue.

Senator Cochrane's speech is very interesting but will gain no political ground, I am sure, in the judgment of the people of her province or of Nova Scotia.

NATURAL RESOURCES

NEW BRUNSWICK—FINANCIAL TERMS FOR REFURBISHING POINT LEPREAU NUCLEAR POWER PLANT

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I hesitate to change the topic because it is so important for Atlantic Canadians. I hope it will not take more than a day or two to give this bill Royal Assent because, as the Minister of Finance told us, the cheque cannot be cut until the bill has actually become part of the Statutes of Canada. They will cut a cheque within 48 hours. The clock has been ticking. The people of Newfoundland and Labrador as well as the people of Nova Scotia are out money because of the actions of this government. When this government had an opportunity, it did not act. However, that is not my question today.

• (1430)

My question today relates to the province of New Brunswick. I have the honour of being one of the senators who represents that province. My question relates to the Point Lepreau refurbishment. The Leader of the Government in the Senate may have noticed an article in the *New Brunswick Telegraph Journal* quoting a member of the federal government, Mr. Paul Zed, who said that the offer is close to being concluded. The article began:

The federal government is expected to present NB Power with a proposal in as little as two weeks to help with the \$1.4 billion refurbishment of Point Lepreau nuclear power plant.

The Minister of Natural Resources, Mr. John Efford, who comes from Newfoundland and Labrador, is referred to in the same article as insisting:

... this week he has seen nothing on paper from his department, nor has he been briefed on the latest developments on the file.

Mr. Efford seems unaware of the proceedings that Mr. Zed claims are under way.

Clearly, it is essential that New Brunswickers know what is going on. They deserve to know whether the situation is imminent or whether it is a pipe dream.

My question for the minister is: Who is speaking for the government? Is the Minister of Natural Resources on this file, or is it the Member of Parliament for Saint John?

Hon. Jack Austin (Leader of the Government): Honourable senators, in regard to the opening remarks of Senator Kinsella, I will say that Royal Assent for Bill C-43 is planned for Thursday of this week. We were not aware, of course, of his generous offer today to pass both report and third reading stages this afternoon. I hope that I will be able to accelerate Royal Assent.

There seems to be disagreement with Senator Stratton, but he and I have not had a conversation on this subject.

Senator Stratton: We tried to get clause-by-clause review last week and the honourable senator knows it.

Senator Austin: We are aware of last week, but this is this week and I did not hear anything this week.

With respect to the question put by Senator Kinsella, I wish to say two things: First, I treat the negotiations that I have been advised are underway as a matter of serious concern for both Senator Kinsella and the province of New Brunswick. I will have the opportunity to make ministerial inquiries. Second, I will have the opportunity to make those inquiries this afternoon and I hope to be able to advise further.

HEALTH

PRIVATE AND PUBLIC DELIVERY OF SERVICES— PROPOSED DEBATE BY CANADIAN MEDICAL ASSOCIATION

Hon. Wilbert J. Keon: Honourable senators, my question is for the Leader of the Government in the Senate. The Canadian Medical Association has announced that its annual meeting in August will feature a session that will discuss the interface between private and public health care in our country. The President of the CMA, Dr. Albert Schumacher, has said that the recent Supreme Court ruling on medicare has made this debate both timely and necessary. However, the Minister of Health has

spoken out against the decision to include this discussion at the meeting. The minister told the *National Post* that he is extremely disappointed that the CMA will debate this issue and said: "I think the CMA has to determine whether they want to be partners with us."

Could the Leader of the Government in the Senate tell us why the Minister of Health believes it is wrong for the Canadian Medical Association to discuss the issue of private care at its own conference since there is already a large component of private care in Canada?

Hon. Jack Austin (Leader of the Government): Honourable senators, I will have to speak with the Minister of Health and advise further.

Senator Keon: Honourable senators, Dr. Schumacher has said that he hopes our society will finally engage in debate on the subject that is reasonable and free of rhetoric.

We all know that 30 per cent of health services are already private in Canada. I believe we all hope that some reasonable readjustment of private and publicly-funded services can occur. For example, in mental health services, there is tremendous hardship for the patients in procuring private, uninsured services.

Can the Leader of the Government in the Senate tell us how we will ever establish what the publicly funded system should cover and what it should not cover if we do not engage in debate?

Senator Austin: Honourable senators, I believe I would be the last person in this chamber to say that debate on public policy is not desirable. We do not have enough informed debate on most public policy issues.

Nothing is probably more at the fore of Canadian interest and importance than health care and the issues that health care involves. I have little hesitancy in predicting that this issue will remain a major one in Canadian public policy debate for several months if not a few years hence.

INDUSTRY

LOBBYIST CONTINGENCY FEES

Hon. David Tkachuk: Honourable senators, my question concerns lobbyist contingency fees, which are fees or commissions that are paid when a lobbyist is successful in arranging a contract. Last week, we learned that, contrary to government rules, lobbyist firms had been paid contingency fees to arrange for technology partnership grants. The government's response was that it had forced these companies that were caught to repay these fees.

In a book to be released this week called, *The Laws of Government: The Legal Foundations of Canadian Democracy*, we are told that between 1996 and 2004, some 80 lobbyists worked for 241 clients on a contingency-fee basis. This practice is in spite of Treasury Board rules that prohibit the use of these fees for those obtaining government contracts.

According to the authors, lobbyists charge contingency fees for obtaining softwood lumber quotas, fish quotas, tax credits, tariff relief, grain subsidies and event sponsorships, as well as loans and grants.

Could the Leader of the Government in the Senate advise as to why the government has not simply acted to make contingency fees illegal, requiring lobbyists to charge only on a fee-for-service basis?

Hon. Jack Austin (Leader of the Government): Honourable senators, I do not have the response that would be justified by the question. I will make inquiries. I am not personally informed about the law with respect to contingency fees, but I will try to advise the Senate shortly.

Senator Tkachuk: Honourable senators, could the minister also enquire as to whether there has been any investigation into whether a percentage of contingency fees went to the Liberal Party of Canada?

Senator Austin: I could do that. I could also enquire, I suppose, whether any fees went to the Conservative Party of Canada or any other party. The answer I gave Senator Tkachuk last week is the answer that I will continue to repeat: if he has any charges to make or any information to provide we would be interested in hearing him. These political innuendoes that lead nowhere are really not helpful to the decorum of the chamber.

• (1440)

Senator Tkachuk: I was simply asking the question because a lot of evidence has been given in the Gomery inquiry by advertising agencies, and they were not allegations. It was people testifying under oath saying that they took cash — obviously, it was illegal cash — and that they paid it out to Liberal Party workers and to the Liberal Party of Canada. It is not too far a stretch to say that perhaps people who work for a contingency fee when lobbying for the same sponsorship loans and grants might be paying out a percentage as well. That is a legitimate question.

Senator Austin: Honourable senators, it is far from legitimate. It is a wish on the part of Senator Tkachuk that will receive no fulfillment.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting delayed answers to eight oral questions raised in the Senate.

The first was in response to a question raised on June 14 by Senator Tkachuk, regarding the testing of Agent Orange and Agent Purple. The second is response to a question raised by Senator Comeau on June 21 regarding the Centre communautaire de Prince-Ouest school.

[Senator Tkachuk]

[*Translation*]

The third is in response to a question raised on June 23, by Senator Di Nino regarding the response to flooding in Alberta.

[*English*]

The fourth is in response to questions raised on June 14 by Senator Di Nino regarding the 2005 United States trafficking in persons report. The fifth is in response to a question on June 15 by Senator Meighen regarding testing for Agent Orange at CFB Gagetown and the use of Agent Purple at CFB Gagetown. The sixth answer is in response to a question raised on June 21 by Senator Oliver regarding Live 8. The seventh is in response to a question raised by Senator Stratton on June 7 regarding biodiversity. The last and final answer is in response to a question raised on June 14 by Senator Keon regarding West Nile virus and avian flu, efforts to control and contain the spread.

NATIONAL DEFENCE

GAGETOWN—TESTING OF AGENT ORANGE AND AGENT PURPLE—TIMING IN RELATION TO STATED POSITION ON VIETNAM WAR

(*Response to question raised by Hon. David Tkachuk on June 14, 2005*)

For a very limited period in 1966 and 1967 the Government cooperated with the United States to test a number of chemicals at CFB Gagetown, including Agent Orange and Agent Purple.

To the best of our knowledge, Agent Orange and Agent Purple were not used or tested on any Canadian military facilities other than CFB Gagetown.

Our purpose for these tests was to find more effective ways to deal with vegetation in the training area.

It must be noted that these chemicals were not tested on people, but on the foliage at CFB Gagetown.

This testing took place in limited areas of the base and under controlled circumstances. It did not involve widespread spraying and there is no evidence to date that any civilians outside of the base were exposed to Agent Orange or Agent Purple.

We are determined to uncover as many of the facts as possible and work with anyone who may have been exposed to Agent Orange and Agent Purple as a result of these tests.

SOCIAL DEVELOPMENT

PRINCE EDWARD ISLAND—TIGNISH REGION— FINANCIAL SUPPORT FOR SCHOOL

(Response to question raised by Hon. Gerald J. Comeau on June 21, 2005)

Discussions are currently underway between representatives of the Department of Canadian Heritage and Prince Edward Island's Department of Education regarding construction of a school-community centre in the Prince-Ouest region.

The Department of Canadian Heritage is aware of the importance of this project for the minority official-language community situated in the region.

An agreement in principle with the Government of Prince Edward Island is expected in the near future.

The Department has clearly demonstrated its commitment in the past with respect to school-community centres in Prince Edward Island as demonstrated by its financial support for the centres in Charlottetown and Summerside.

PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

ALBERTA—RESPONSE TO FLOODING

(Response to question raised by Hon. Consiglio Di Nino on June 23, 2005)

Public Safety and Emergency Preparedness Canada (PSEPC) provided assistance for the damage caused by serious floods that affected southern Alberta 10 years ago, and is prepared to provide similar assistance for the current flooding.

PSEPC administers the Disaster Financial Assistance Arrangements (DFAA) on behalf of the Government of Canada to assist provinces and territories in meeting the costs of disaster response and recovery where these exceed what they might reasonably be expected to bear on their own.

In a letter dated June 23, 2005, Alberta has requested assistance under the DFAA and PSEPC is working on the process to authorize federal financial assistance.

Alberta has indicated that it will take time to scope the impact of the flooding, and as this is done PSEPC will continue to work with our provincial counterparts to support the recovery efforts.

CANADA-UNITED STATES RELATIONS

DEPARTMENT OF STATE— 2005 REPORT ON TRAFFICKING IN PERSONS

(Response to question raised by Hon. Consiglio Di Nino on June 14, 2005)

The Government of Canada remains firmly committed to addressing trafficking in persons (TIP); the Government has taken numerous recent measures to combat TIP domestically and together with the international community. It is also an issue on which we continue to closely collaborate with the United States through the Cross Border Crime Forum as well as through the March 2005 *Security and Prosperity Partnership of North America*.

The 2005 U.S. Trafficking in Persons Report was prepared by the U.S. State Department in fulfillment of its statutory requirement to submit to the U.S. Congress an annual report assessing the anti-trafficking prevention, protection and prosecution activities of other governments against minimum standards, set by the U.S., and assigns states a tier ranking. Tier 1 states meet these standards; Tier 2 states do not fully comply, and Tier 3 states do not meet these standards. The 2005 report is the 5th annual Report. Canada remains in Tier 1.

Domestically, Canada's commitment to combat TIP is reflected in numerous recent anti-trafficking measures, including the tabling of criminal law reforms that will strengthen our responses to TIP — to more clearly deter and denounce such conduct, to better protect those at risk, and to impose increased accountability on traffickers. These proposed reforms are a first deliverable on the federal anti-trafficking strategy, currently being developed by the federal Interdepartmental Working Group on Trafficking in Persons, which coordinates all federal anti-trafficking activities. This strategy will enhance our coordination and responses to combat TIP and will focus on the prevention of trafficking, protection of victims and holding perpetrators accountable, consistent with the prevailing international community's approach.

Canada's continued top ranking by the 2005 U.S. Trafficking in Persons Report is a reflection of these commitments and efforts. Although the Government collaborates with the United States, including in the preparation of this report by providing information on Canadian anti-TIP efforts, the U.S. report is compiled by the U.S. from a variety of sources, including anecdotal, which do not necessarily reflect Canadian information or policies.

The 2005 Report's assessment of Canada is critical of the number of Canadian prosecutions/convictions of traffickers, the existence of a "program" to enable foreign exotic dancers to come to Canada only to be trafficked into the sex trade, and the absence of a Visa requirement for South Korean tourists to Canada.

Prosecutions

Canada's existing legal framework criminalizes TIP under various *Criminal Code* offences that address trafficking-related conduct (such as kidnapping, forcible confinement,

uttering threats, extortion, sexual assault, prostitution-related offences and criminal organization offences) as well as under the specific TIP offence in the *Immigration and Refugee Protection Act (IRPA)*, which came into force in June of 2002. There have been numerous TIP-related convictions under these *Criminal Code* offences and the first charges under the *IRPA* trafficking offence were laid in April 2005 against a Vancouver massage parlour owner (noted in the 2005 Report). Proposed criminal law reforms in Bill C-49, *An Act to Amend the Criminal Code* (trafficking in persons), tabled on May 12, 2005, will enhance these existing efforts to prosecute these cases as well as facilitate tracking and monitoring of trafficking cases.

Exotic Dancers

The Government of Canada has never had a “program” to facilitate the entry of foreign exotic dancers into Canada. Human Resources and Skills Development Canada (HRSDC) and Citizenship and Immigration Canada (CIC) jointly administer the entry of all temporary foreign workers into Canada under the *IRPA*.

In December 2004, a national labour market opinion respecting exotic dancers was rescinded and replaced with a stricter case-by-case approach, as well as a series of additional safeguards and assessment criteria. Now, like any employer wishing to hire a foreign worker, club owners must seek a labour market opinion from HRSDC for each foreign exotic dancer they wish to employ. When assessing a work permit application, visa officers, who are trained to be aware of TIP, ensure that all applicants have proper documentation, including a HRSDC labour market opinion; meet health and security criteria; have the qualifications required to perform the job; and are aware of the terms and conditions of the employment contract. HRSDC officials have been reviewing departmental processes to ensure the approach is fair and rigorous. While this review is underway, HRSDC will renew applications for exotic dancers already in Canada, but will not process new applications. The Government of Canada is concerned about the welfare of all foreign workers and exercises diligence in ensuring that potential situations of TIP may be prevented.

Alleged Trafficking of South Koreans

Canadian law enforcement is aware that irregular migrants from South Korea are smuggled into the United States from Canada and has worked with American law enforcement to identify and impede such conduct. However, there is no reliable information to support the allegation made in the Report that a significant number of South Koreans have actually been trafficked, as opposed to smuggled, into the United States from Canada. Migrant smuggling involves the illegal movement of people across international borders and smuggled persons are free to go upon arrival at their destination. In contrast, trafficking may occur across or within borders and trafficking victims are not free to go upon arrival; they are subjected to ongoing exploitation, typically in the sex industry or for forced labour.

Canada's visa regime is based on a country by country assessment of the risks and benefits associated with the movement of citizens, including socio-economic and political factors. It also balances the desire to welcome visitors and newcomers to Canada with the obligation to protect Canadian society. The Government remains supportive of its visa policy including with respect to South Korea.

The South Korean irregular migration movement is a dynamic one, involving all of North America — Canada, the United States and Mexico. As such, authorities of all three countries are dedicated to ensuring that this common irregular immigration issue is combated. Prevention of irregular migration is a joint responsibility. For that reason, Canada and the U.S. have in place Integrated Border Enforcement Teams, which unite Canadian and U.S. law enforcement and intelligence officers and are strategically placed at our shared border to detect and apprehend individuals who commit illegal activities there.

Canada's network of Migration Integrity Officers that are stationed around the world are actively working to stop human smuggling and trafficking. Canada remains committed to working with our international partners to prevent and combat all forms of TIP.

NATIONAL DEFENCE

GAGETOWN—TESTING OF AGENT ORANGE AND AGENT PURPLE

(Response to question raised by Hon. Michael A. Meighen on June 15, 2005)

For a very limited period in 1966 and 1967, the Government of Canada cooperated with the United States to test a number of chemicals at CFB Gagetown, including Agent Orange and Agent Purple, because the testing fit with the brush control requirements of the base.

To the best of our knowledge, Agent Orange and Agent Purple were not used or tested on any Canadian military facilities other than CFB Gagetown.

This testing took place in limited areas of the base and under controlled circumstances. It did not involve widespread spraying and there is no evidence to date that any civilians outside of the base were exposed to Agent Orange or Agent Purple.

As part of our proactive approach, this summer National Defence will be testing the soil, vegetation and water at the CFB Gagetown testing sites to see if there might be residual contamination. The results of this testing will be made public.

We are determined to uncover as many of the facts as possible and work with anyone who may have been exposed to Agent Orange and Agent Purple as a result of these tests.

HERITAGE

LIVE 8 CONCERT—COSTS OF STAGING AND CLEANUP

(Response to question raised by Hon. Donald H. Oliver on June 21, 2005)

The Government of Canada is pleased that the concert promoters have chosen Barrie, one of our country's most vibrant and fastest growing cities, as the Canadian location for the Live 8 concert.

The concerts will draw attention to a crucial issue, the challenge of global poverty. The goals of these concerts are to be applauded and this government recognizes the importance of any effort to rally public support for a cause as important as global poverty.

That being said, no official request has been made to the Government to cover these costs.

THE ENVIRONMENT

SIERRA CLUB THIRTEENTH ANNUAL REPORT CARD ON 1992 EARTH SUMMIT IN RIO DE JANEIRO

(Response to question raised by Hon. Terry Stratton on June 7, 2005)

Canada was in fact the first industrialized country to sign and ratify the United Nations Convention on Biological Diversity in 1992. In 1996, all provinces and territories and the federal government endorsed the Canadian Biodiversity Strategy which provides a framework for implementing the Convention in Canada.

Many provinces and territories have since developed their own biodiversity strategies based on this national framework. Most recently, the province of Ontario released its biodiversity strategy on June 21.

The federal government has been actively implementing the Strategy as well through the creation of national parks, through its species at risk legislation and through recent policy initiatives such as the national invasive alien species strategy approved by all jurisdictions in September 2004.

Federal resource departments are also building biodiversity into national sectoral policies such as the Agricultural Policy Framework, the National Forest Strategy and the recently announced Oceans Action Plan.

HEALTH

PUBLIC HEALTH AGENCY—WEST NILE VIRUS AND AVIAN FLU—EFFORTS TO CONTROL AND CONTAIN SPREAD

(Response to question raised by Hon. Wilbert J. Keon on June 14, 2005)

The Government of Canada continues to work with provincial and territorial governments and First Nations communities to coordinate a national approach to combatting West Nile Virus (WNV).

The small number of cases in 2004 should not be interpreted as a forecast of low activity in 2005.

WNV appears to be established in the Canadian ecology, and it is likely that the range of WNV activity will continue to spread in Canada (and the United States) in 2005. Predicting the regional activity and the exact number of cases of human illness is, however, difficult. Considering the geographic spread of the disease since 1999 in North America, it would be reasonable, in 2005, to expect to see positive cases appear in provinces or regions where the disease has not yet appeared as well as cases continuing to be recorded in areas previously affected. Early season activity in California indicates that WNV may get to British Columbia this year.

It is important for the public to be reminded about how to protect themselves from West Nile. The Public Health Agency of Canada (PHAC) is, therefore, working with its P/T colleagues to provide clear advice to Canadians on a regular basis. Sustained public education is critical in order to reinforce messages on protective measures.

Surveillance, education, prevention, control, and research activities during 2005 and in the future will help to better understand and manage the immediate and long term impacts of WNV.

The PHAC, together with P/T public health authorities, maintains surveillance of human West Nile virus infection. Sharing of information with colleagues in the USA ensures regular exchange of information and findings.

Timely sharing of surveillance data by the PHAC with blood operators supports the maintenance of the safety of blood, cells, tissues and organs in Canada.

We are working with the Canadian Cooperative Wildlife Health Centre and PT partners to maintain surveillance of the virus in birds and in mosquitoes.

STATISTICS ACT

BILL TO AMEND—MESSAGE FROM COMMONS

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons returning Bill S-18, to amend the Statistics Act, to acquaint the Senate that they have passed this bill without amendment.

Hon. Senators: Hear, hear!

ORDERS OF THE DAY

CANADA BORDER SERVICES AGENCY BILL

SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Banks, seconded by the Honourable Senator Corbin, for the second reading of Bill C-26, to establish the Canada Border Services Agency.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I draw the attention of the Senate to the fact that this bill was introduced on June 14, Senator Banks moved second reading on June 16 and Senator Forrestall spoke on June 21, at which time Senator Cools adjourned the debate on that day and has not spoken since. If she were here, I would ask her when she intends to speak, as the bill has been stood in her name now for a week, and we would certainly like to see it move forward.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I believe we adjourned debate on Bill C-26 in her name on June 21, and today is June 28, knocking off two days. I will have a discussion with the honourable senator. I also think there was something else on the plate with respect to that matter.

Order stands.

SPIRIT DRINKS TRADE BILL

REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the eighth report of the Standing Senate Committee on Agriculture and Forestry (Bill S-38, respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries, with amendments), presented in the Senate on June 23, 2005.

Hon. Joyce Fairbairn moved the adoption of the report.

Hon. Grant Mitchell: Honourable senators, I rise to make a few comments on Bill S-38. By way of clarification, and for those senators who were not members of the committee, this bill is designed to implement certain protections for foreign spirits that were negotiated by the Canadian government under three separate agreements: an agreement with the European Union committee on wines and spirits, under NAFTA, and through negotiations with the Caribbean. It may seem easy to implement what are relatively limited though quite technical provisions, negotiated as they were under these three agreements, but as it turns out, it is not as easy as it would first appear.

The original version of the bill was reviewed by a number of parties, including officials from International Trade Canada and

several interested groups, and it was deemed necessary to change or amend the wording of the bill in certain respects so as to clarify and distinguish more specifically what was negotiated under these three agreements.

First, the spirits in question had to be defined, and, second, certain processes that might alter one's appreciation of the definition of the spirits had to be clarified and certain trademarks had to be protected. At the end of the day, exactly that was done. Clause 3 was amended to specify that certain spirits to be sold in Canada but made elsewhere had to use a specific name, and if any derivative of that spirit were ever to be manufactured, for example, in the case of a grappa cooler, it would have to be made in Italy and could not be made in Canada.

To make it more complex, under the NAFTA that was not quite the case. In that case, a spirit such as tequila to be sold in Canada had to be made in Mexico. At the same time, if someone wanted to make a tequila cooler, they were able to make that in Canada and still call it a tequila cooler. That has been clarified.

Finally, for the Scotch and whiskey drinkers, in particular, Irish whiskey drinkers, this would be of relevance. It turns out that frequently a concentrate of a certain spirit is imported to Canada, which might be, for example, 80 per cent alcohol. In order for that to be sold in Canada, it must be diluted to 40 per cent alcohol, surprising me and many others, that when you drink Scotch you always drink Scotch and water. In order to do that, if it is blended in Canada, the case could be made that it is no longer made in its country of origin. That was clarified, so that if water, for example, is used in Canada to blend Scotch whiskey, it would still be Scotch whiskey and still protected under this agreement.

In the process of reviewing this act, three other basic issues were raised by various parties. One was the definition of Caribbean rum. The committee has indicated that this would have to be defined by renegotiation. It is not something we could do unilaterally. The process of certifying what Canadian rye whiskey is and its age is an administrative process that is provided for in certain legislation, which will expire in two years. A replacement for that is under way.

• (1450)

Finally, I would mention that a constitutional point was raised by Senator Oliver. He greatly impressed me with his acumen generally and with his knowledge of precise, detailed, and highly technical constitutional law. The government made a commitment to the minister to have an explanation for that, which has been sent to Senator Oliver, as it has to all members of the committee. He and I will address that explanation in more detail.

I feel confident that these amendments are fully in keeping with what is the purpose of this law. The committee passed the amendments, and I would simply ask that honourable senators do the same thing here in this chamber.

The Hon. the Speaker: I see no senator rising to speak or adjourn the debate. Are honourable senators ready for the question?

Hon. Senators: Question!

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

Hon. Senators: Agreed.

Motion agreed to.

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

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

CRIMINAL CODE

BILL TO AMEND—REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the sixteenth report of the Standing Senate Committee on Banking, Trade and Commerce (Bill S-19, to amend the Criminal Code (criminal interest rate) with an amendment), presented in the Senate on June 23, 2005.—(*Honourable Senator Grafstein*)

Hon. Jeremiah S. Grafstein moved the adoption of the report.

He said: Honourable senators, last Thursday the Standing Senate Committee on Banking, Trade and Commerce reported on Bill S-19, to amend the Criminal Code (criminal interest rate), as amended.

Today, I will briefly discuss this bill, and the process by which the bill was examined by the Standing Senate Committee on Banking, Trade and Commerce.

As honourable senators will recall, the bill was introduced in the Senate as a private member's bill on November 4, 2004, by the Honourable Senator Plamondon, a senator who has a long history as an outstanding consumer advocate. During debate on the bill on November 17, the honourable senator identified the purpose of the bill:

The first objective is to review the criminal interest rate currently set at 60 per cent in the Criminal Code, which has not changed since 1981. The second one is to change the definition of "interest" in paragraph 347(2) of the Criminal Code.

In particular, the bill would change the definition of the criminal rate from 60 per cent to a rate that exceeds, by 35 per cent or more, the Bank of Canada's target overnight rate on the day the agreement or arrangement is entered into or renewed. In essence, the amendment would establish a maximum differential between the target overnight rate as presented by the Bank of Canada and the interest rate that could be charged to the consumer.

Senator Plamondon has indicated that the existing 60 per cent interest rate has not changed since 1981, and was established at a time when the Bank of Canada's overnight rate was considerably higher than is currently the case. The bill would also amend the definition of "interest" in a manner that would allow insurance charges to be included in the definition.

The bill was amended in committee in response to concerns raised during the committee's deliberations. A new subsection of the Criminal Code would specify that section 347, the criminal interest rate provision, would not apply to agreements or arrangements under which the credit advanced exceeds \$100,000. The purpose of that amendment is to ensure that the provision would not apply to large-scale commercial loans or transactions.

Honourable senators, I am pleased to say that the Standing Senate Committee on Banking, Trade and Commerce conscientiously examined this private member's bill and held a total of five full hearings. The bill was referred to the committee on December 7, 2004, and hearings were held the very week that the Senate returned from recess. Meetings were held on February 2 and 3, as well as June 1, 2, and 22. I will explain the delay.

As is customary, we launched our hearings with a presentation by the bill's sponsor, Senator Plamondon, who spoke both eloquently and passionately about the need to update the criminal interest provision found in the Criminal Code in the interest of consumers. Her appearance on February 2 was followed by presentations from Department of Justice and Industry Canada officials, as well as from Option consommateurs and the Institut québécois d'éthique appliquée. Hearings continued the next day with the Canadian Bankers Association, the Canadian Bar Association, the Canadian Association of Community and Financial Service Providers, the Vanier Institute of the Family and the Ontario Association of Credit Counselling Services, who all made presentations to us.

Honourable senators may also wish to note that written comments were received from the Canadian Venture Capital Association, the Credit Union Central of Canada, a couple named Lynda and Daniel who did not provide a surname in their letter, and Mr. Brad Blaney.

We sent requests to all the provinces to appear and gave them ample time to consider this matter. The following provinces — New Brunswick, Manitoba, Alberta, Saskatchewan, British Columbia and Quebec — submitted letters of comment, which we reviewed carefully. The question of consumer protection in this bill is a shared concern and a shared jurisdiction of the federal government and the provinces. Thus, we reviewed the provinces' letters with care and deliberation but did not have the benefit of cross-examining the provinces on their concerns as they each chose not to appear. The committee gave the provinces over four months, ample time to appear, and they chose not to do so. Notwithstanding that, we carefully examined each and every one of their letters as presented to us.

Honourable senators on the committee also received a letter from the Minister of Justice and the Attorney General of Canada dated June 1, and received a copy of the letter that had been previously sent to Senator Plamondon by the minister dated March 14, 2005. Honourable senators, I feel that I must comment on the minister's June 1 letter and the attempts of the committee to have the minister appear before us in relation to Bill S-19. I think I am accurately reflecting the sentiment of all committee members when I say that we were disappointed that the minister was not able to attend to explain more fully his complicated letter.

The minister's letter arrived on the day we were considering the committee's agenda with respect to Bill S-19, and at the time the committee could have decided to proceed with clause-by-clause consideration of the bill either that day or the following day. On receipt of the minister's letter, the committee decided that the best course of action would be to invite the minister to share his thoughts on Bill S-19 in person, and to allow all members, including the sponsor, Senator Plamondon, to question him about his views. Although we had proposed several dates for an appearance by the minister and had confirmed a meeting with him for several weeks hence, he was unable to meet us on the date he selected because of his appearance before another committee on a government bill on June 22. That was the Standing Senate Committee on Legal and Constitutional Affairs. We all understand that a government bill has priority over a private member's bill.

However, we left open the following day, June 23, and then we were advised that the minister could not attend on that date either. With time marching on, the committee determined that while we would continue our examination of the bill without the minister's appearance, we would examine his letter in detail, which we did without benefit of questioning him on his letter. We then reported the bill to the Senate prior to the summer recess, on division.

Honourable senators, that concludes my remarks on Bill S-19. I wish to thank once again Senator Plamondon for bringing this issue to the attention of the Senate and for her continued and expert work in the protection of consumers across Canada.

• (1500)

I also wish to thank each and every member of the Standing Senate Committee on Banking, Trade and Commerce for their thoughtful, thorough and timely consideration of this private member's bill. I know I can look forward to continued thoughtful and thorough consideration of other topics being examined by the Banking Committee. The report was passed on division in the committee on June 22, 2005 and tabled June 23, 2005 for consideration for the Senate today. I want to thank all honourable senators for their indulgence and attention.

[Translation]

Hon. Madeleine Plamondon: Honourable senators, I am very pleased with where we are at on Bill S-19. As everyone knows, the main purpose of this bill is to change the criminal interest rate, which has not been updated in 25 years.

I will not repeat everything that has been said about the process so far, since Senator Grafstein did a good job of that. I will say that millions of Canadians thank you today for listening to them. All I have done is advocate for consumers, who have put their trust in the Senate and told us about their financial difficulties. Today's result is only one ingredient in a complex recipe for consumer credit protection, but it is a vital ingredient.

In considering the bill, the Senate committee learned that the provinces, territories and the federal government are working together for a better credit structure. This is a solution for the

[Senator Grafstein]

medium term, but let us hope it will be more successful than previous similar initiatives. We have to believe that the cooperation by all parties will be productive.

I want to thank the members of the committee and all the organizations and individuals who came to speak with us across the country. I even want to thank the person who voted against the bill, as that provides additional arguments. I would also like to take this opportunity to thank the chair of the committee, who led the meetings and discussions diplomatically and effectively.

Again, the main purpose of the bill is to update the criminal rate by setting it at 35 percentage points above the base rate.

[English]

Honourable senators, this is a first step in the right direction.

[Translation]

The issues surrounding this bill were carefully considered, and I do not see what more could be said. Since it is likely that the other chamber will adjourn very shortly, and with the leave of the Senate, I move that we proceed immediately with third reading of this bill.

[English]

The Hon. the Speaker: No senator rising to speak, I ask if honourable senators are ready for the question.

Hon. Senators: Question!

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

Motion agreed to and report adopted.

THIRD READING

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

Hon. Madeleine Plamondon: Honourable senators, with leave, now.

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

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

STUDY OF ISSUES DEALING WITH RATE OF PRODUCTIVITY

REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the fifteenth report of the Standing Senate Committee on Banking, Trade and Commerce, entitled, *Falling Behind: Answering the wake-up call. What can be done to improve Canada's productivity performance?* tabled in the Senate on June 22, 2005.—(Honourable Senator Grafstein)

Hon. Jerahmiel S. Grafstein moved the adoption of the report.

He said: Honourable senators, last Wednesday in this chamber I tabled a report by the Standing Senate Committee on Banking, Trade and Commerce on Canada's productivity and what must be done, in the committee's view, to improve and enhance our productivity. Today I urge this chamber to adopt the report and its recommendation in its entirety. Let me tell honourable senators what is in the report and why I believe all of us in the Senate should support it.

However, before I comment on the report, senators may recall that the Standing Senate Committee on Banking, Trade and Commerce was the first committee the Senate established in 1867. At that time, its terms of reference were to provide an overview of the major elements of our economy. Over the years, greater attention has been paid by the committee to banking and fiscal questions. This report illustrates the committee's desire to once again broaden our focus to the larger questions affecting the national economy as a whole.

Our report entitled *Falling Behind: Answering the wake-up call. What can be done to improve Canada's productivity performance?* is based on an experimental hearing, at least as far as the committee is concerned. It was based on two days of intensive round table discussions with expert Canadians and honourable senators who sit on the committee. This chamber and the other place — particularly the other place — may want to take note that it took less than six weeks from the time the first round table took place on May 11 to tabling the report last week in the Senate, at a cost of \$6,000. We tried to be productive in our report as well.

The committee undertook an examination of productivity issues because of our growing concern about Canada's productivity performance, its impact on the Canadian economy and its implications for our standard of living and our quality of life. I should note that we undertook this study at the urging of our committee deputy chair, Senator Angus.

Meanwhile, rumours of our report on productivity triggered a spate of recent public discussions from the Minister of Finance, other members of the government and others in the private sector. This is all to the good, in my view, since the primary objective of our report was to instigate a public debate in improving Canada's lagging productivity performance.

We were delighted, as well, that just last Friday in New York City, after the report was tabled here in the chamber, the Minister of Finance echoed many of our report's concerns and recommendations. Today, we welcome the senior business leadership of Canada, who have joined our growing chorus of those concerned about Canada's productivity.

As honourable senators know, the only real way we have to increase Canada's standard of living is to increase Canada's productivity performance and thereby increase the real disposable income of each Canadian family. This concerns virtually every Canadian. The real disposable income of every family has been virtually static for decades in this country. Accordingly, productivity should rightfully become a hot button for every segment of our economy.

Productivity is narrowly defined as the measure of the effectiveness with which inputs, such as capital and labour, are transformed into outputs, into goods and services. There are, of course, numerous factors used to measure productivity as outlined painstakingly in our report. It is a well-documented fact that productivity gains have accounted for somewhere between one quarter and one third of our standard of living since World War II.

As recently as last week, a report by the Toronto-Dominion Bank noted that since 2001, output per hour in Canada has increased 2.5 per cent. During the same period, the U.S. measured a whopping 15.9 per cent improvement. While some sectors such as foreign-owned companies that mainly export their goods and services did very well from a productivity standpoint, others, such as construction, lag well behind in the productivity meter, according to the bank's report. The report failed to highlight that productivity in the mining sector was even lower than the construction sector. Overall, this is a dismal, disappointing and dispiriting performance in our view.

While other elements of the economy have demonstrated growth, our productivity performance substantially lags behind the United States, our major trading partner. Regrettably, we are not doing a whole lot better when measured against our major European competitors.

• (1510)

These facts raise two questions. What needs to be done if we are to improve our lacklustre productivity performance, and who needs to do it?

What should the federal government do to help businesses become more productive? What should other orders of government do? What should businesses do to improve their productivity firm by firm? What should educators do? What should civic leaders do? We looked at the issue from all sides.

The committee made major recommendations in two areas, the first dealing with the development and implementation of a comprehensive plan to enhance productivity and competitiveness in Canada, and the second dealing with monitoring and accountability of federal productivity initiatives.

The plan should comprise at least the following seven elements.

Changes should be made to the corporate tax structure to make businesses more competitive in global markets, including a reduction in corporate tax rate, the elimination of the capital federal tax and a realignment of capital cost allowances so the write-down more closely mirrors the useful life of the asset.

Changes should also be made to the personal tax system to keep our best and brightest from moving south for tax breaks, including reduced income for middle-upper-income earners, increased thresholds at which those rates were paid, and a modified capital gains tax to ensure greater consistency with the United States.

As an aside, government has similar tax cuts already planned. We recommend that these tax measures be accelerated. Why, you ask? Because the U.S. companies spend \$1,800 on capital investment per worker more than their Canadian companies spend, and the difference shows every time we measure productivity against our major competitor in the United States. These accelerated tax cuts would help this country close that gap.

Back to the other five elements of the plan that we recommend be implemented: An examination of foreign investment restrictions to remove unnecessary restrictions and find ways to increase direct foreign investment — there is a great competition now for direct foreign investment around the globe; better access to financing at reasonable rates for Canadian businesses, particularly small- and medium-sized businesses, to help them become more productive; continued pursuit of international trade agreements that enhance the ability of Canadian businesses to compete globally; continued action towards the elimination of interprovincial trade barriers; and the development of effective mechanisms for settling international trade disputes and keeping them settled over a longer term.

The committee felt that, taken together, these initiatives would improve the overall climate for business investment in this country, and hence contribute to the country's productivity.

All members of the committee recognized the importance of balanced budgets and debt reduction, and that tax changes have obvious revenue implications. As a consequence, our report recommends that the tax changes be phased in as sources permit but that priority be given to our corporate tax recommendations. We also recommend that the tax measures be fully implemented within five years.

The committee also recognized that the federal government invests a lot of money in improving Canada's productivity. All you have to do to understand what the government invests in productivity is to look at the list of federal productivity initiatives in the appendices of our report. As well, today we have no means of assessing the productivity or the productive effect of this funding. Accordingly, we recommend that the federal government develop a "productivity prism" through which to assess federal productivity programs and that it set up a forum on productivity that can assess existing and future federal programs and policies to determine and measure their impact on productivity and on research and development. The Department of Industry would report its findings of this prism through this proposed forum on productivity.

The forum on productivity would have two responsibilities. It would be a federal-private sector initiative. It would on an ongoing basis have responsibility for measuring and reporting on Canada's productivity performance, and of assessing the combined effect of all federal initiatives. In this way, the forum would act as an annual audit on productivity performance and report its findings to Parliament annually. We can then measure the effectiveness and the productive effectiveness of all these new programs, and then measure them against the country's progress on productivity.

In the same way that corporations annually audit their spending and return on investment, the federal government should audit the country's return on our productivity investments. We must understand what is working to improve our productivity and our competitiveness. Those programs that are not working should be redesigned or dropped altogether.

The business community must lead on productivity measures, firm by firm sector by sector. Educators have a crucial role. In our view, the functional illiteracy rate in the workplace, 42 per cent, continues to be dangerously static and acts as an obstacle to growth in our national productivity. I commend here our colleague Senator Fairbairn, who has worked so arduously to give our country a wake-up call on this topic. She must be deeply frustrated that, despite her assiduous efforts, these numbers are just stagnant. Think about it: 42 per cent of our workers are functionally illiterate in the workplace.

The committee has laid down terms of reference to study this fall the interprovincial trade barriers, as we believe the provinces and regions of our country have a direct role in improving productivity. You will see a chart or charts in the study to indicate the various productivity performances of all the regions, of all the provinces of the country. You will be surprised. We in the Senate represent the regions of this country, and we should be concerned when our regions are not as productive as they should be.

As well, we will address later this fall the demographic time bomb that can only be diffused by real growth in productivity and real income growth by a round table study this fall. This study was suggested by our colleague Senator Massicotte, and we will pursue that study in the fall.

In closing, honourable senators, let me remind you that your Banking Committee report is a report of all senators from all regions from all parties who sit on the committee. We hope this report will trigger a debate not only in this chamber but in Parliament and in provincial legislatures in all regions, in business and educational circles, among civic leaders and especially in those domestic business sectors that are protected, ineffective and unproductive compared to their foreign counterparts.

Finally, the committee was pleased with our first experimental round table and its results. As I have said, we will use a similar format for our upcoming examination of issues related to the demographic change and obstacles to interprovincial trade amongst our regions.

Finally, let me thank each and every senator, their staff, the clerk, and the staff of the committee, each of whom contributed to produce this study in depth and in record time.

We consider this report to be a wake-up call to all Canadians. We believe all orders of government, at all levels, at all regions, and business, educators and civic leaders, are now listening. The question is, will they act? We will see.

Productivity, honourable senators, is everyone's business.

On motion of Senator Stratton, debate adjourned.

STUDY ON GOVERNMENT POLICY FOR MANAGING FISHERIES AND OCEANS

INTERIM REPORT OF FISHERIES AND OCEANS COMMITTEE AND MOTION REQUESTING GOVERNMENT RESPONSE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Comeau, seconded by the Honourable Senator LeBreton, that the third report of the Standing Senate Committee on Fisheries and Oceans, tabled in the Senate on May 19, 2005, be adopted and that, pursuant to rule 131(2), the Senate request a complete and detailed response from the government, with the Minister of Fisheries and Oceans being identified as Minister responsible for responding to the report.—(*Honourable Senator Hubley*)

Hon. Charlie Watt: Honourable senators, I would like to outline briefly what I have learned over the years that I have participated in the Standing Senate Committee on Fisheries and Oceans. I think it is time we take a good look at what we can do collectively in regard to what I have found, along with the other committee members. I do believe that our coastal communities are at a crisis stage at this point.

• (1520)

Over the years, we have been calling upon various individuals to appear in front of our committee. We have learned from the witnesses that what is happening in the communities is not necessarily a good story. These communities were once very active, healthy and willing to move forward. The well-being of these communities requires that their children be educated.

Honourable senators, if we do not take this matter seriously — that is, what is happening in the communities — I think we will pay for it down the road. I will try to describe, as clearly as possible, why I think we are at a juncture right now where we must make some decisions.

The Government of Canada, through the Department of Fisheries and Oceans, has established a new policy. That policy is questionable. I say that because it takes the economy away from the people who really need it. As I understand it, our government — that is, through the Department of Fisheries and Oceans — has made a decision to concentrate more on the economic route rather than the social well-being of these communities. If we continue to move in that direction, we will be facing the phasing-out of these communities. In other words, there will not be anything left in these communities: no schools, no municipal services and no activities. It is important for our government to take that seriously and not to allow these communities to disappear. If we are moving in the direction of satisfying corporations and individuals who have money and taking the economy away from poor people, I do not think that is the right thing to do. Unfortunately, I think we are heading in that direction. Over time, some of our important coastal communities will gradually disappear. I do not think anyone is looking at alternatives. If that economy is taken away from those people, what will replace it so the communities can continue to exist? I am talking about coastal communities in the West, in the East and in the North.

About two weeks ago, our chairman put forward a motion to ask the minister to respond to our interim report as soon as possible. I have some doubts whether the minister will respond on his own without taking the matter to the cabinet level and the Prime Minister.

I have been around here for 21 years. When the cabinet makes decisions to go in a certain direction, it does not often change its direction. One minister does not have the power to effect a change. However, there is a way that we might be able to enhance the awareness on this matter; that is, to take this matter to the Prime Minister and to the cabinet so that it can become a discussion issue at the cabinet level. Hopefully, the Prime Minister will take this matter a bit further, since he has undertaken to have a dialogue with municipalities, and so on, to deal with their needs. I do not see any difference between that and what is happening to those isolated communities which also have municipal responsibilities.

Honourable senators, it is time we take a good look at the economy of these communities. What are we doing to them? Are we helping them or putting them on the back burner so that one day they will have to be closed down? We are affecting not only the present community, but also the future generations. For that reason, it is important for honourable senators to do what they can to elevate this matter so that it will receive greater attention from the cabinet, including the Prime Minister, and so that action will be taken. They need to realize that this issue is important to Canadians.

I do not have that much to add other than to indicate my support for the motion that was brought forward. However, that, by itself, probably will not make it. I hope that the Leader of the Government in the Senate will take this matter to the cabinet level and will ensure that they pay attention to the problem and move forward with it because it is very important.

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?

Motion agreed to and report adopted.

STUDY ON NATIONAL SECURITY POLICY

MEETING HELD IN AFGHANISTAN, MAY 16-18, 2005— REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE—ORDER STANDS

The Senate proceeded to consideration of the thirteenth report of the Standing Senate Committee on National Security and Defence (study on the national security policy for Canada), tabled in the Senate on June 14, 2005.—(*Honourable Senator Kenny*)

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, my understanding is that Senator Maheu wanted to make some comments on this report. The report now stands in the name of Senator Kenny. I do not know if Senator Stratton has the intention of making some remarks today or if we can stand this item in the name of Senator Maheu.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I do not think anyone on our side has the intention of speaking today. I would suggest that the order stand in either Senator Kenny's name or in Senator Maheu's name.

Order stands.

STUDY ON PRESENT STATE AND FUTURE OF AGRICULTURE AND FORESTRY

INTERIM REPORT OF AGRICULTURE AND FORESTRY COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the seventh report (interim) of the Standing Senate Committee on Agriculture and Forestry, entitled, *Cattle Slaughter Capacity in Canada*, tabled in the Senate on May 19, 2005.—(Honourable Senator Fairbairn, P.C.)

Hon. Grant Mitchell: Honourable senators, I am pleased to rise today to speak on the interim report of the Standing Senate Committee on Agriculture and Forestry entitled, *Cattle Slaughter Capacity in Canada*. I am fortunate — and I mean this — to be a member of this committee. I applaud the hard work of my honourable colleagues, who spent a great deal of time and effort on this report and on its recommendations, much of it before I became a member of that committee. I would also like to note and recognize the particular focused effort of the committee in the last several days as we tried to finish the report and get it into a condition to report back to the Senate prior to that fateful vote several weeks ago that could have, had it passed, prohibited us from bringing this report to the Senate. It was interesting to see the intensity of the chair of the committee in wanting to get this work into the public arena, and the assistance she received from members of both parties in the committee, who made special effort to meet and finalize this report.

The fallout from the discovery of BSE in Canada's domestic cattle herd has had a significant impact on both the economy and the lives of Canadians, particularly those in my home province of Alberta. I am therefore keenly aware of the importance of this issue and of the timeliness of this report.

• (1530)

[Translation]

I support the recommendations in this report. They complement the strategy announced on September 10, 2004, by the Government of Canada. The aim of this strategy is to reopen

the American border to Canadian cattle, increase our slaughter capacity, sustain the cattle industry and expand access to export markets for both livestock and beef products.

[English]

The committee report further discusses the important issues of the long-term viability of the industry. It seizes this opportunity to restructure in order to protect producers from future crises. In doing so, I believe that it makes a significant contribution.

The committee believes that the evolution of the industry will “reinforce Canada's reputation as a source of safe, high-quality beef” and that “the industry, with governments' support, must make the Canadian packing industry stronger so it can benefit all cattle producers and Canadians across the country.” I wholeheartedly agree.

As the report rightly recognizes, long-term viability has much to do with protecting producer groups. The reality is that once the border is reopened, American packers will do everything they can to compete with any nascent Canadian packing industry that has developed during the interim. Market forces may dictate a return to concentration in fewer packing plants and to live animal exports.

However, long-term viability of the cattle industry requires a restructuring, which involves more vertical integration in the packing industry, including more cooperation between cattle producers, packing plants, retailers and secondary processors. Not only would this make producers less vulnerable to future crises, but it would also ensure the long-term supply of Canadian cattle.

The committee recommendations for building additional capacity, which include financing options that make sense to farmers, are a logical and necessary first step. Other recommendations that streamline regulatory processes and barriers to interprovincial trade are equally important. The committee also has good proposals with regard to the ongoing safety of Canadian beef and international marketing of Canadian products. I strongly support these recommendations.

Many of us in this Senate are not farmers; have never farmed. However, we only need to consider this crisis for a moment to understand the devastating impact that it has had on rural farmers, rural farm families and rural regions of our country in general. It is a testimony to the strength, determination and resilience of the Canadian farm industry, and of farmers across this country, that they have been able to withstand the onslaught of this crisis as well as they have. I know that I speak for all senators in recognizing their tremendous effort and the tremendous stress that they have been through. I hope that this report and other initiatives like it that have been undertaken by the Senate will, at least in some way, demonstrate our support of these remarkable farmers and farm families and help them overcome the tremendous impact of this crisis.

On motion of Senator Fairbairn, debate adjourned.

INTERNATIONAL DEVELOPMENT ASSISTANCE

MOTION URGING GOVERNMENT TO MEET
COMMITMENT—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Andreychuk, seconded by the Honourable Senator Johnson:

That the Senate of Canada calls upon the Government of Canada to establish a specific timetable that will enable Canada to meet its longstanding commitment to provide 0.7 per cent of its Gross National Income as official international development assistance; and

That the Senate of Canada calls upon the Government of Canada to provide funds, within the budgetary process, to achieve this objective at latest by the year 2015, beginning with an immediate one hundred percent increase in official development assistance in the next fiscal year.—(*Honourable Senator Dallaire*)

Hon. A. Raynell Andreychuk: Honourable senators, this motion has been on the Order Paper now since March 22. I spoke to it later than I normally would have in order to allow everyone to become familiar with it.

This motion is also time-sensitive, and I would like to have it either assented to or voted on this week. I wonder whether the matter can proceed expeditiously this week and whether Senator Dallaire will be able to speak to it so that we can take it to a resolution.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I had adjourned the debate in the name of Senator Dallaire. He has been actively involved on behalf of the government, both here and overseas, as honourable senators will know.

However, he has an important contribution to make to this debate, which I am sure he will be doing as expeditiously as possible.

Senator Andreychuk: I simply wanted it noted that if the debate does not proceed this week, and should we not be sitting next week, then this motion would be in difficulty. I would like an expression from this chamber, one way or another, before the Gleneagles meeting.

I think many people in Canada look to the Senate for guidance in such matters. I trust that Senator Dallaire will be able to speak to this matter within the next day or two, and that we have a resolution of it on Thursday.

Senator Rompkey: I am not in a position to respond on Senator Dallaire's behalf, nor to speculate on whether or not we will be sitting next week. I would be happy to entertain the notion to discuss the matter next week, depending on what business we do at that time and how expeditiously we can pass bills, and so on. My understanding now is that we would be sitting next week.

Senator Andreychuk: Perhaps I could obtain some clarification from the Honourable Deputy Leader of the Government in the Senate as to our agenda. I am assuming that, with respect to the routine matters, I cannot count on knowing whether or not we will be here next week. That is why I would appreciate the resolution of the matter by this Thursday.

Senator Rompkey: As of now, it is very difficult to see how we could get through the business that is before us this week.

Order stands.

• (1540)

BUSINESS OF THE SENATE

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I move adjournment of the Senate.

Senator Kinsella: Question! No debate.

The Hon. the Speaker: Honourable senators, a motion for adjournment is in order at any time and is not debatable.

It is moved by the Honourable Senator Stratton, seconded by the Honourable Senator LeBreton, that the Senate do now adjourn. Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker: Those in favour of the motion to adjourn will please say "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker: Those opposed to the motion will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker: I believe the "nays" have it.

Senator Stratton: I do not believe it.

Hon. Bill Rompkey (Deputy Leader of the Government): I wanted to inform honourable senators that we have been attempting to arrange Royal Assent on Bill C-43 and other bills this afternoon. Conversations with the people who are involved in the process have taken place and I believe there is agreement to proceed with Royal Assent on Bill C-43 and other bills. Therefore, I would move that the Senate do now adjourn during pleasure to reassemble at the call of the chair at approximately 7:30 p.m.

The Hon. the Speaker: Does Senator Kinsella wish to comment? We could treat this as house business.

POINT OF ORDER

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I rise on a point of order. We just dealt with a motion to adjourn. How can we deal with another motion to adjourn? "Adjourn" means adjourn.

Hon. Bill Rompkey (Deputy Leader of the Government): This motion essentially suspends this sitting of the Senate to reassemble at the call of the chair. We have done this any number of times when we have business that we wish to deal with later.

When the Senate resumes, Bill C-43 would receive Royal Assent and the house would receive any messages from the Commons that might be coming to this place.

Senator Kinsella: Honourable senators, the fact of the matter is the time for the honourable senator to move that motion was before the house had finished the Order Paper. In other words, the Senate would suspend to come back and resume business. Otherwise, the word "suspend" does not mean anything. We would have to suspend from a *terminus a quo* to a *terminus ad quem*, as they say. There is no business to suspend because the Order Paper has been completed. The error that the honourable senator made was to not make that motion a little sooner.

Senator Rompkey: Honourable senators, it is impossible to move a motion before the Orders of the Day are complete. I rose as soon as I could to move the motion that is entirely in order. I could not move it before the completion of the Orders of the Day, obviously. This is a continuation of the Orders of the Day and has been done any number of times. The Order Paper is finished and the Senate suspends to the call of the chair because there is business to do later. My motion is entirely in order and has been moved any number of times.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, if I may, I thought there was a motion to adjourn the Senate. Three of us stood on this side for a standing vote, so that is the first item of business.

The Hon. the Speaker: Honourable senators, for clarification, we are now on a point of order raised by Senator Kinsella, which is still open. A motion by Senator Stratton to adjourn the Senate was put and was defeated, and so the house is still in session.

Senator Rompkey then rose to put a motion to adjourn during pleasure to the call of the chair, which would require unanimous consent to put because it is not on the Order Paper, although leave of the Senate could be requested. However, if I remember correctly, Senator Rompkey wanted to request leave to put a motion.

Senator Rompkey: I put a motion that does not require unanimous consent. Such a motion can be moved in the Senate at any time and must be voted on and passed or defeated.

The Hon. the Speaker: Honourable senators, we are on the point of order of Senator Kinsella. I believe that the reasoning of the point of order is that the motion was not timely. Are there other comments on the point of order? I will go to Senator Kinsella for a final comment to conclude the matter, although I may take a few moments to dispose of it.

Senator Rompkey: Honourable senators, in his last remarks His Honour indicated that the Senate is still in session. The motion to adjourn was defeated and so the house is still in session. Therefore, the motion to adjourn during pleasure was moved to reassemble at the call of the chair later today.

The Hon. the Speaker: Are there final comments, Senator Kinsella, before I determine the point of order?

Senator Kinsella: No. My point has been sufficiently made. The motion is to adjourn to the call of the chair. The only difficulty is that the motion is not timely because the chair is unable to know when to call the house back. There is no *terminus ad quem*. How would His Honour know when to call the house back? There is no order of the house on the Order Paper. We have completed all orders of the house.

The Hon. the Speaker: I will give Senator Kinsella another opportunity. I will see Senator Robichaud on the point of order.

[Translation]

Hon. Fernand Robichaud: Honourable senators, we need only refer to what was said here earlier, when some senators from the opposition wanted Bill C-43 to receive Royal Assent today and wanted arrangements to be made to ensure it did. That is exactly what the Deputy Leader of the Government has done.

As for adjourning during pleasure, the precedent has been set numerous times; even if we have completed the Order Paper, this is a procedural motion that is in order. We may adjourn during pleasure in order to receive letters from Rideau Hall indicating that Royal Assent has been granted. I do not see why we could not proceed in that fashion today.

[English]

The Hon. the Speaker: Honourable senators, I will take a moment to reflect on what I have heard on the point of order because it must be dealt with now. Is it agreed that I leave the chair and return in 10 minutes?

Hon. Senators: Agreed.

The sitting of the Senate was suspended.

• (1620)

The sitting of the Senate resumed.

The Hon. the Speaker: I gather that honourable senators are ready for a ruling on the point of order raised by Senator Kinsella.

I thank honourable senators for their contributions to the point of order. As I understand it, the point of order is with regard to whether the motion of Senator Rompkey to adjourn the sitting to the call of the chair is in order. Senator Rompkey explained, in the course of putting the motion, that the purpose for this suspension is to receive letters confirming Royal Assent, which are expected later this day.

Senator Kinsella's position is that a motion to adjourn to the call of the chair would be in order only if there was further business to conduct today.

The real question, as I see it, honourable senators, is whether this long-standing practice requires leave, whether it is put in the form of a motion, as Senator Rompkey did in this case, or whether there is a request for the unanimous agreement of the Senate to do something such as adjourn to the call of the chair.

In the case of a motion, I have looked at a rule that might have application, that being rule 59, which says:

Notice is not required for...

It then lists a number of steps that can occur in the Senate by way of a motion which, because of rule 59, do not require notice. The only subsection of rule 59 that might apply to this situation would be (18), which says:

Other motions of a merely formal or uncontentious character.

I will not rule on whether the motion is debatable, but as to whether it is contentious, I think that is evident in that to adjourn to the call of the chair would require a request for agreement of the house by way of a vote. Therefore, I do not believe this matter falls under rule 59(18).

Where does this leave us? I have, with the assistance of the table officers, tried to find precedents for this procedure which is very common in our proceedings. As I indicated at the beginning of my remarks, this has been done in two ways. I will give an example of the first way from page 1243 of the *Journals of the Senate* of April 22, 1997. The Journals entry reads:

At 4:15 p.m. the sitting was adjourned during pleasure to resume at the call of the bell at approximately 6:30 p.m.

It could have said "the call of the chair," but it was a time specific, and I do not, for purposes of this ruling, distinguish between a time certain and the call of the chair.

I do take, however, from what I have read in the Journals, that, either as a result of no objection being made or by asking for and receiving leave, leave was given to take this step.

The other way in which we do this is the way in which Senator Rompkey has proceeded on this occasion. I draw the attention of honourable senators to the *Journals of the Senate* for May 12 of this year, page 901. The recital is clear. It reads:

With leave of the Senate,

The Honourable Senator Robichaud, P.C., moved, seconded by the Honourable Senator Losier-Cool:

That the Senate do now adjourn at pleasure to reassemble at the call of the chair and that the bells ring for five minutes.

I repeat, I do not distinguish between whether it is to the call of the chair, in the chair's discretion, provided it is within our sitting times, or to a time certain. Our practice, honourable senators, is clear. Leave is required to proceed with the motion that was put by Senator Rompkey.

I assume leave was not granted, but that can be clarified very easily. However, my ruling is that the proceeding Senator Rompkey has initiated requires leave, that is, to put a motion to the chamber to adjourn for a time certain or to the call of the chair.

Senator Rompkey: Honourable senators, I request leave of the house to suspend this sitting now to the call of the chair in order to receive Royal Assent on Bill C-43, as was requested by the official opposition earlier this day.

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

Senator Stratton: We agree with the motion provided that Royal Assent is received before 6 p.m. today.

The Hon. the Speaker: Leave is granted, honourable senators, to proceed with the motion to suspend to a time certain, which varies from the proposal of Senator Rompkey. We have determined in this place that leave can be conditionally granted. I am familiar with those rulings and need not refer back to them.

Accordingly, that motion can be put. Shall I put the motion, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: It is a debatable motion.

Senator Rompkey: Honourable senators, we cannot agree to a condition of time because I have no idea when Royal Assent will be available. We need agreement to suspend to the call of the chair, with no conditions.

Senator Stratton: Honourable senators, has the chamber received notice of Royal Assent at all? This chamber has been told only informally that we are receiving Royal Assent. Normally, some notice is given. We have been told only by the government side that Royal Assent will indeed take place.

Have you, Your Honour, been informed of such an event? If so, it should be at a time certain, as it always is.

The Hon. the Speaker: I anticipated this and have cast my mind back. Royal Assent ceremonies in the chamber are always preceded by a letter from Her Excellency indicating the time for Royal Assent. The letter may, as well, designate her representative for that purpose.

However, it is equally in keeping with our practice that Royal Assent is done at Rideau Hall or at the office of Her Excellency's designated representative and is not preceded by a letter. That is our practice.

Honourable senators, we do not yet have the necessary leave for me to put a motion. Perhaps the house leaders can agree on a motion to be put.

Senator Stratton: In the discussion we have had on Royal Assent, it was said that Royal Assent would occur at five o'clock. We expect that to be the motion, although we are quite willing to extend that to six o'clock. That is what was put forward, and we accepted that.

Senator Rompkey: Honourable senators, I have had no indication from Government House as to when Royal Assent will take place. It is a question of the availability of the Governor General. I do not know what her schedule is. We have to go to Government House; she has to be available; we have to get the letter signed; and we have to come back. I cannot give a specific time, honourable senators.

The Hon. the Speaker: We have only conditional leave for Senator Rompkey's motion. I have no information to impart that you could rely on. Therefore, we are stuck with conditional leave.

• (1630)

Senator Stratton: In the spirit of cooperation, we understood that we had an agreement. Whether it was right or wrong, my distinct impression was that that agreement was for five o'clock today. However, we have since agreed to six o'clock, and we are quite willing and prepared to extend that to 6:30. Surely to goodness something can be done by that time.

Senator Rompkey: Do I hear seven?

Senator Stratton: Yes.

The Hon. the Speaker: Honourable senators, having been to many auction sales, I think that I could now ask: Is leave granted for Senator Rompkey's motion to adjourn to the call of the chair at any time prior to 7 p.m.?

Senator Rompkey: Would there be agreement to say approximately seven?

Some Hon. Senators: No, no.

The Hon. the Speaker: Honourable senators, I look to the chamber. Is leave granted for me to put this motion?

Senator Rompkey: Honourable senators, we need to have an unconditional agreement to come back at the call of the chair, but we have no idea when this will be. We cannot hold to certain times. I said just a moment ago that we have no idea when the Governor General is available, when she will sign and, therefore, when the notice will come back. I therefore cannot guarantee that it will be by seven o'clock.

If there is no agreement, honourable senators, to an unconditional return, I move that the Senate now adjourn.

The Hon. the Speaker: It is moved by the Honourable Senator Rompkey, seconded by the Honourable Senator Losier-Cool, that the Senate do now adjourn. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

The Senate adjourned until Wednesday, June 29, 2005, at 1:30 p.m.

CONTENTS

Tuesday, June 28, 2005

	PAGE		PAGE
SENATORS' STATEMENTS		National Defence	
Exhibits on Italy		Gagetown—Testing of Agent Orange and Agent Purple— Timing in Relation to Stated Position on Vietnam War.	
Hon. Marisa Ferretti Barth	1595	Question by Senator Tkachuk.	
Multiculturalism Day		Hon. Bill Rompkey (Delayed Answer)	1600
Hon. Donald H. Oliver	1595	Social Development	
Hon. Shirley Maheu	1596	Prince Edward Island—Tignish Region— Financial Support for School	
The Honourable Isobel Finnerty		Question by Senator Comeau.	
Tributes on Retirement.		Hon. Bill Rompkey (Delayed Answer)	1601
Hon. Consiglio Di Nino	1596	Public Safety and Emergency Preparedness	
Hon. Marilyn Trenholme Counsell	1596	Alberta—Response to Flooding.	
Health		Question by Senator Di Nino.	
Ban on Internet Bulk Prescription Drug Exports.		Hon. Bill Rompkey (Delayed Answer)	1601
Hon. Mac Harb	1597	Canada-United States Relations	
<hr/>		Department of State—2005 Report on Trafficking in Persons.	
ROUTINE PROCEEDINGS		Question by Senator Di Nino.	
Budget Implementation Bill, 2005 (Bill C-43)		Hon. Bill Rompkey (Delayed Answer)	1601
Report of Committee.		National Defence	
Hon. Donald H. Oliver	1597	Gagetown—Testing of Agent Orange and Agent Purple.	
Third Reading.		Question by Senator Meighen.	
Hon. Art Eggleton	1597	Hon. Bill Rompkey (Delayed Answer)	1602
Bill to Authorize Minister of Finance to Make Certain Expenditures (Bill C-48)		Heritage	
First Reading.		Live 8 Concert—Costs of Staging and Cleanup.	
Hon. Art Eggleton	1597	Question by Senator Oliver.	
Hon. Marcel Prud'homme	1597	Hon. Bill Rompkey (Delayed Answer)	1603
Legal and Constitutional Affairs		The Environment	
Committee Authorized to Meet During Adjournment of the Senate.		Sierra Club Thirteenth Annual Report Card on 1992 Earth Summit in Rio de Janeiro.	
Hon. Lise Bacon	1598	Question by Senator Stratton.	
<hr/>		Hon. Bill Rompkey (Delayed Answer)	1603
QUESTION PERIOD		Health	
Business of the Senate		Public Health Agency—West Nile Virus and Avian Flu— Efforts to Control and Contain Spread.	
Royal Assent of Budget Implementation Bill, 2005.		Question by Senator Keon.	
Hon. Ethel Cochrane	1598	Hon. Bill Rompkey (Delayed Answer)	1603
Hon. Jack Austin	1598	Statistics Act (Bill S-18)	
Natural Resources		Bill to Amend—Message from Commons	1603
New Brunswick—Financial Terms for Refurbishing Point Lepreau Nuclear Power Plant.		<hr/>	
Hon. Noël A. Kinsella	1598	ORDERS OF THE DAY	
Hon. Jack Austin	1599	Canada Border Services Agency Bill (Bill C-26)	
Health		Second Reading—Order Stands.	
Private and Public Delivery of Services—Proposed Debate by Canadian Medical Association.		Hon. Bill Rompkey	1604
Hon. Wilbert J. Keon	1599	Hon. Terry Stratton	1604
Hon. Jack Austin	1599	Spirit Drinks Trade Bill (Bill S-38)	
Industry		Report of Committee Adopted.	
Lobbyist Contingency Fees.		Hon. Joyce Fairbairn	1604
Hon. David Tkachuk	1599	Hon. Grant Mitchell	1604
Hon. Jack Austin	1600	Criminal Code (Bill S-19)	
Delayed Answers to Oral Questions		Bill to Amend—Report of Committee Adopted.	
Hon. Bill Rompkey	1600	Hon. Jeremiah S. Grafstein	1605
		Hon. Madeleine Plamondon	1606
		Third Reading.	
		Hon. Madeleine Plamondon	1606
		Study of Issues Dealing with Rate of Productivity	
		Report of Banking, Trade and Commerce Committee— Debate Adjourned.	
		Hon. Jeremiah S. Grafstein	1606

	PAGE
Study on Government Policy for Managing Fisheries and Oceans	
Interim Report of Fisheries and Oceans Committee and Motion Requesting Government Response Adopted.	
Hon. Charlie Watt	1609
Study on National Security Policy	
Meeting held in Afghanistan, May 16-18, 2005—Report of National Security and Defence Committee—Order Stands.	
Hon. Bill Rompkey	1610
Hon. Terry Stratton	1610
Study on Present State and Future of Agriculture and Forestry	
Interim Report of Agriculture and Forestry Committee— Debate Adjourned.	
Hon. Grant Mitchell.	1610

	PAGE
International Development Assistance	
Motion Urging Government to Meet Commitment— Order Stands.	
Hon. A. Raynell Andreychuk	1611
Hon. Bill Rompkey	1611
Business of the Senate	
Hon. Terry Stratton	1611
Hon. Bill Rompkey	1611
Point of Order	
Hon. Noël A. Kinsella	1611
Hon. Bill Rompkey	1612
Hon. Terry Stratton	1612
Hon. Fernand Robichaud	1612



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