



CANADA

# Debates of the Senate

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1st SESSION

•

38th PARLIAMENT

•

VOLUME 142

•

NUMBER 85

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OFFICIAL REPORT  
(HANSARD)

**Wednesday, July 20, 2005**



THE HONOURABLE DANIEL HAYS  
SPEAKER

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*Debates and Publications:* Chambers Building, Room 943, Tel. 996-0193

Published by the Senate  
Available from PWGSC – Publishing and Depository Services, Ottawa, Ontario K1A 0S5.  
**Also available on the Internet: <http://www.parl.gc.ca>**



## THE SENATE

Wednesday, July 20, 2005

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

Prayers.

### SENATORS' STATEMENTS

#### LONDON BOMBINGS

**Hon. Mobina S. B. Jaffer:** I rise today knowing that all honourable senators will join me in offering our continuing support to the people of Great Britain and in sending our sympathies to those who have lost loved ones or suffered injuries in the bombings that occurred in London on July 7.

I stand before you as a Muslim Canadian. Canada has given my family and me asylum and has given my community and me a place to practice our faith and to participate fully in society. We proudly say that we are Canadian. Through marriage, I am also a British citizen. I was in London on July 7 while on my way to Sudan when these heinous acts were committed against innocent and unsuspecting civilians. The bombs exploded in places that I know well and frequented during my time as a university student in London. When I heard of the attacks, my thoughts turned immediately to my daughter who was working in London at the time. Though I knew it was unlikely that she was anywhere near where the attacks took place, as a parent I was overtaken at the thought of losing her. Like many around me, throughout London and across the world, my thoughts turned to my friends and family, and I hoped that they would be alright. However, the truth is that those who were injured and killed are also my family and friends in a larger sense. The attacks have caused great pain for all of us.

Canadians are deeply concerned with any act of terrorism. We feel the pain felt by all those who feel its effects as if it is our own. Four acts of terrorism stand out in the minds of many Canadians. The first is the bombing of Air India Flight 182, for which, sadly, Canadians of Indian origin are still thirsting for answers. The second is the attacks on Pennsylvania, Washington and New York on September 11, 2001, which we mourn collectively as a nation. The third is the attacks on the people of Madrid, Spain and now, the fourth, the bombings in London. Many have argued that it is religion, especially Islam that provided the motivation for the attacks. Some have said that there are two faces of Islam: peaceful and war-like. As a Muslim and Canadian who believes in harmony and mutual respect, I must reject this characterization. To quote my spiritual leader, the Aga Khan:

This just represents a very, very small minority of the world's Muslim population. Also, these people are primarily driven by political and not religious motives. It would be wrong to consider them representative of Islam. The Western world has to take a close look to see which forces are in play in order to differentiate between belief and things that have nothing to do with belief.

We as Muslims could also ask the same things: like what's happening in Northern Ireland. If I as a Muslim came to you and were to say: What's happening in Northern Ireland reflects Catholic and Protestant beliefs, then would you say: you're uneducated.

In a joint statement, 22 of Britain's most respected Muslim Imams and scholars condemned the bombings. They said:

We are firmly of the view that these killings have absolutely no sanction in Islam, nor is there any justification whatsoever in our noble religion for such evil actions. It is our understanding that those who carried out the bombings in London should in no sense be regarded as martyrs.

If ever there was a time to build an integrated community where all are equal, it is now. I urge our government to seek answers to ease the pain of all those who have suffered from acts of terrorism and to launch a public inquiry into the Air India bombing to heal the wounds of the Indo-Canadian community.

Honourable senators, the attacks on innocent Londoners shocked the world. Canadians of all backgrounds are standing shoulder to shoulder with their British brothers and sisters in resisting terrorism and refusing to succumb to fear. Canadian Muslims want it on the record that these attacks have not been and should never be carried out in their name or in the name of their faith.

### SENATE CHAMBER

#### CANADA DAY CITIZENSHIP SWEARING-IN CEREMONY

**Hon. Roméo Antonius Dallaire:** Honourable senators, on Canada Day, July 1, I attended the events on Parliament Hill with my daughter, whose son was part of the ceremonial guard. It was a hot day so we decided to come inside, to the Senate chamber, to cool off. We came face to face with dozens of Canadians from a variety of ethnic backgrounds who were exiting the red chamber and being treated to cake and other refreshments. By chance, I met the Usher of the Black Rod, Terrance Christopher, and asked him what was going on. Colonel Christopher had sat in my Senate seat during the events. With obvious joy and pride, he indicated that the Governor General had suggested conducting the swearing-in ceremony of 50 new Canadians in this chamber.

I considered that an absolutely magnificent initiative, heartily supported by the Speaker, the Usher of the Black Rod and the staff. I decided that such an innovative use of this chamber for these ceremonies could be brought more to the fore. As we look toward the next decade and realize the changing demographics, immigration to Canada might triple over that time because of the need to maintain a youthful and capable approach across the country to meet the challenges of the future. What an excellent

initiative and what a fine use of this chamber to introduce new Canadians and give them both the citizenship and the responsibilities of being Canadians.

• (1340)

I will end by saying that the presence of the Governor General in this chamber among us, or opportunities to have her here, should be looked upon as a positive use of the chamber, one that will bring more presence and perhaps attract more positive interest in this chamber.

I am well aware that the Governor General would normally have to be invited, and I certainly do not want to start Cromwell's concerns about the Crown bringing in the loyal artillery company to throw us out at gunpoint. However, I do believe that innovative uses of this chamber in the advancement of our citizenry should be considered and that her presence should be all the more encouraged.

Bravo to all concerned on this trend-setting initiative. I hope that in the future new Canadians from different parts of the country may be invited to this ceremony.

## SOCIAL DEVELOPMENT

### NEW BRUNSWICK— REJECTION OF CHILD CARE PROGRAM

**Hon. Pierrette Ringuette:** Honourable senators, Bernard Lord is refusing to sign on to Ottawa's child care scheme. That situation is unacceptable. This agreement would allocate approximately \$110 million to start building New Brunswick's child care system over the next five years; and Premier Bernard Lord is putting the future development of the children of New Brunswick at stake.

[Translation]

It is my firm conviction that Premier Lord should recognize that the people of New Brunswick want their provincial government to sign the agreement, so that the \$109.9 million in child-care funding offered by the federal government can start flowing to our children. In my opinion, the children of New Brunswick should enjoy the same advantages as those in other provinces when it comes to federal funding.

The daycare situation in New Brunswick is deplorable. In 2003-04, New Brunswick had only 11,897 places in regulated daycare centres, which covers scarcely 11 per cent of the demand. Because of this, most children are entrusted to care services that are never inspected and not required to implement a development program. Both parents work outside the home in 75 per cent of New Brunswick families.

If the province wants to meet these additional needs, it must sign an agreement with the federal government and develop a five-year action plan that will lead us toward a system of quality childcare services. These agreements are flexible and tailored to the realities of people in all regions of the country, in both rural and urban communities. Alberta, Nova Scotia, Newfoundland and Labrador, Ontario, Saskatchewan and Manitoba have already signed agreements.

It is now clear that the only obstacle to reaching an agreement is a lack of desire on the part of the Lord government to ensure the viability of a true universally accessible early childhood care program.

The people can easily see that Bernard Lord simply wants access to federal money that he can spend however he wants. The same applied to the gas-tax sharing agreements, intended for cities and communities. Premier Lord is trying to spend money as he pleases without being tied by the principles that underlie it. This manipulation is now a customary practice with his government.

Bernard Lord refused to listen to the people of New Brunswick on automobile insurance, and now he is not listening to the people of New Brunswick who want an enhanced early childhood care services system.

New Brunswick already has in place the programs required by the federal agreement, which means Premier Lord recognizes that such programs are valuable, which means he has no excuse. His real excuse is nothing but his own pig-headedness, which is leading to the political posturing of the emperor who had no clothes, as far as our children are concerned.

[English]

## CANADIAN FORCES ARMY PARLIAMENTARY PROGRAM

**Hon. Consiglio Di Nino:** Honourable senators, a few weeks ago I had the privilege of participating in the Canadian Forces Army Parliamentary Program. I was in Petawawa embedded with the 2 Combat Engineering Regiment, which was part of several hundred Canadian Forces members training for deployment to Afghanistan. The deployment is scheduled for some time in the next two to three weeks, although I believe some have already left.

This four-and-one-half day experience was an eye-opener for me. I met dozens of men and women who are some of the most dedicated and committed Canadians I have ever known. I was most impressed with the level of their skill, their professionalism and their understanding of their mission and mandate. All of them are ready and willing to face the risks associated with their job.

They are keenly aware of the enormous responsibilities they have undertaken and recognize the value of their contribution to protecting the lives of innocent men, women and children in some far-off land. The duty to defend democratic values and to protect basic rights for those who are oppressed is strongly embraced by our soldiers.

I need not remind honourable senators that the part of the world to which these soldiers are being assigned is a very dangerous area and the risks these men and women will face are serious indeed. Yet, I never once encountered a soldier who wavered or who was hesitant. I now know better why our soldiers are so respected and praised by the UN and by military people all over the world.

Later this summer, honourable senators, I will be joining these same soldiers in Afghanistan to complete this unique experience. After my return, I will give a full report of my involvement in this program. In the meantime, I extend my heartfelt thanks to all the soldiers for their patience and friendship in Petawawa.

Most of all, I extend our gratitude to all Canadian Forces members for making us proud of our Canadian contribution to world peace. A very special thanks must go to the soldiers' families for their sacrifices and unwavering support.

### MARRIAGE RIGHTS OF ABORIGINAL WOMEN

**Hon. Nancy Ruth:** Honourable senators, yesterday there was much talk about the Charter, equality rights and marriage. I rise today simply to remind us that equality rights in marriage and divorce are not yet available to Indian women on reserves. They do not have the same rights as every other Canadian woman does at the time of divorce, and no government has fixed it in the last two decades at least.

### BRITISH COLUMBIA

#### VANCOUVER— STRIKE OF CONTAINER TRUCK DRIVERS

**Hon. Gerry St. Germain:** Honourable senators, Vancouver's container truck drivers have been staging a work stoppage since June 27, stalling the movement of more than \$200 million of goods through the Vancouver waterfront every week. Everything from export items like pulp, special crops originating on the Prairies, perishable goods and import items destined for retail department stores in Canada are affected by the strike.

Just last week, honourable senators, Vince Reddy, a facilitator jointly appointed by the federal and provincial governments, stated that the parties were too far apart for meaningful talks to continue. On July 15, Captain Gordon Houston, President of the Vancouver Port Authority, stated that Ottawa might be able to use the Canadian Transportation Act to order the truck drivers back to work.

In view of the fact that the current dispute is causing major problems not only in the Vancouver trade corridor, the Export Development Corporation has downgraded Canada's growth prospects for 2005.

Given Captain Houston's comments, I hope the Leader of the Government in the Senate will take a leadership initiative, which I am sure he will, in dealing with this serious problem that is facing all of Canada.

## ROUTINE PROCEEDINGS

### SPEAKER'S DELEGATION TO PEOPLE'S REPUBLIC OF CHINA

#### REPORT TABLED

**Hon. Daniel Hays:** Honourable senators, I have the honour to table the report of a visit that I had the honour to lead to the People's Republic of China, which took place from June 6 to June 10, 2005.

[ Senator Di Nino ]

## INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

### ELEVENTH REPORT OF COMMITTEE PRESENTED

**Hon. George J. Furey,** Chair of the Standing Committee on Internal Economy, Budgets and Administration, presented the following report:

Wednesday, July 20, 2005

The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

### ELEVENTH REPORT

Your Committee recommends that the following funds be released for fiscal year 2005-2006 and that the Standing Senate Committee on National Finance be empowered to travel to the United Kingdom and Scotland for the purpose of its study of the Estimates:

#### National Finance (Legislation)

Professional and Other Services	\$ 18,700
Transportation and Communications	\$ 71,855
Other Expenditures	\$ 4,850
<b>Total</b>	<b>\$ 95,405</b>

(includes funds for fact-finding mission)

Respectfully submitted,

GEORGE J. FUREY  
*Chair*

• (1350)

**The Hon. the Speaker:** When shall this report be taken into consideration?

On motion of Senator Furey, with leave of the Senate and notwithstanding rule 58(1)(g), report placed on the Orders of the Day for consideration later this day.

## THE SENATE

### MOTION TO EXTEND SITTING ADOPTED

**Hon. Bill Rompkey (Deputy Leader of the Government):** Honourable senators, with leave of the Senate, I move:

That, notwithstanding the Order of the Senate of November 2, 2004, when the Senate sits today, Wednesday, July 20, 2005, it continue its proceedings beyond 4 p.m. and follow the normal adjournment procedure according to Rule 6(1).

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

**Hon. Senators:** Agreed.

**Hon. Marcel Prud'homme:** We were consulted and we agree.

**Some Hon. Senators:** Hear, hear!

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

**Hon. Senators:** Agreed.

Motion agreed to.

## FOOD AND DRUGS ACT

### BILL TO AMEND—FIRST READING

**Hon. Jeremiah S. Grafstein** presented Bill S-42, to amend the Food and Drugs Act (clean drinking water).

Bill read first time.

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

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

## HUMAN RIGHTS

### NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE RESOLUTION ON COMBATING ANTI-SEMITISM

**Hon. Jeremiah S. Grafstein:** Honourable senators, I give notice that on Friday next, July 22, 2005, I will move:

That the following resolution on Combating Anti-Semitism which was adopted unanimously at the 14th Annual Session of the OSCE Parliamentary Association, in which Canada participated in Washington on July 5, 2005, be referred to the Standing Senate Committee on Human Rights for consideration and that the committee table its final report no later than February 16, 2006.

### RESOLUTION ON COMBATING ANTI-SEMITISM

Recalling the resolutions on anti-Semitism by the OSCE Parliamentary Assembly, which were unanimously passed at the annual meetings in Berlin in 2002, in Rotterdam in 2003 and in Edinburgh in 2004,

1. Referring to the commitments made by the participating states emerging from the OSCE conferences in Vienna (June 2003), Berlin (April 2004) and Brussels (September 2004) regarding legal, political and educational efforts to fight anti-Semitism, ensuring “that Jews in the OSCE region can live their lives free of discrimination, harassment and violence”,
2. Welcoming the convening of the Conference on Anti-Semitism and on Other Forms of Intolerance in Cordoba, Spain in June 2005,
3. Commending the appointment and continuing role of the three Personal Representatives of the Chairman-in-Office of the OSCE on Combating Anti-Semitism, on Combating Intolerance and Discrimination against Muslims, and on Combating Racism, Xenophobia

and Discrimination, also focusing on Intolerance and Discrimination against Christians and Members of Other Religions, reflecting the distinct role of each in addressing these separate issues in the OSCE region,

4. Reaffirming the view expressed in earlier resolutions that anti-Semitism constitutes a threat to fundamental human rights and to democratic values and hence to the security in the OSCE region,
5. Emphasizing the importance of permanent monitoring mechanisms of incidents of anti-Semitism at a national level, as well as the need for public condemnations, energetic police work and vigorous prosecutions,

The Parliamentary Assembly of the OSCE:

6. Urges OSCE participating states to adopt national uniform definitions for monitoring and collecting information about anti-Semitism and hate crimes along the lines of the January 2005 EUMC Working Definition of Anti-Semitism and to familiarize officials, civil servants and others working in the public sphere with these definitions so that incidents can be quickly identified and recorded;
7. Recommends that OSCE participating states establish national data collection and monitoring mechanisms and improve information-sharing among national government authorities, local officials, and civil society representatives, as well as exchange data and best practices with other OSCE participating states;
8. Urges OSCE participating states to publicize data on anti-Semitic incidents in a timely manner as well as report the information to the OSCE Office for Democratic Institutions and Human Rights (ODIHR);
9. Recommends that ODIHR publicize its data on anti-Semitic crimes and hate crimes on a regular basis, highlight best practices, as well as initiate programs with a particular focus in the areas of police, law enforcement, and education;
10. Calls upon national governments to allot adequate resources to the monitoring of anti-Semitism, including the appointment of national ombudspersons or special representatives;
11. Emphasizes the need to broaden the involvement of civil society representatives in the collection, analysis and publication of data on anti-Semitism and related violence;
12. Calls on the national delegations of the OSCE Parliamentary Assembly to ensure that regular debates on the subject of anti-Semitism are conducted in their parliaments and furthermore to support public awareness campaigns on the threat to democracy posed by acts of anti-Semitic hatred, detailing best practices to combat this threat;

13. Calls on the national delegations of the OSCE Parliamentary Assembly to submit written reports at the 2006 Annual Session on the activities of their parliaments with regard to combating anti-Semitism;
14. Calls on the OSCE participating states to develop educational material and teacher training methods to counter contemporary forms of anti-Semitism, as well as update programs on Holocaust education;
15. Urges both the national parliaments and governments of OSCE participating states to review their national laws;
16. Urges the OSCE participating states to improve security at Jewish sites and other locations that are potential targets of anti-Semitic attacks in coordination with the representatives of these communities.

#### ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE RESOLUTION ON ITS MEDITERRANEAN DIMENSION

##### NOTICE OF INQUIRY

**Hon. Jerahmiel S. Grafstein:** Honourable senators, notwithstanding rule 57(2) and pursuant to rule 56, I give notice that later this day:

I shall call the attention of the Senate to the following Resolution on the OSCE Mediterranean Dimension, adopted unanimously at the 14th Annual Session of the OSCE Parliamentary Association which took place in Washington on July 5, 2005.

##### RESOLUTION ON THE OSCE MEDITERRANEAN DIMENSION

1. Recognizing that the OSCE maintains special relations with six Mediterranean Partners for Cooperation: Algeria, Egypt, Israel, Jordan, Morocco, and Tunisia,
2. Highlighting the increasing attention attributed to the Mediterranean Dimension within the OSCE PA, as reflected in the Parliamentary Conference on the Mediterranean held in Madrid, October 2002, the First Forum on the Mediterranean held in Rome, September 2003, the Second Forum on the Mediterranean held in Rhodes, September 2004, and the Third Forum on the Mediterranean scheduled for Sveti Stefan, October 2005,
3. Recalling that the Helsinki Final Act states that "security in Europe is to be considered in the broader context of world security and is closely linked with security in the Mediterranean as a whole, and that accordingly the process of improving security should not be confined to Europe but should extend to other parts of the world, in particular to the Mediterranean area,"
4. Recalling the importance of tolerance and non discrimination underscored by the participants in the OSCE Seminar on addressing threats to security in the Twenty-first Century, held in November 2004 in Sharm El Sheikh,
5. Recognizing the importance of the combat against intolerance and discrimination as an important component in the dialogue between the OSCE and its Mediterranean Partners,
6. Emphasizing the importance of trade and economic relations as a pacifying factor within the Mediterranean region, as reflected in the Edinburgh Resolution on Economic Cooperation in the OSCE Mediterranean Dimension,
7. Emphasizing the importance of mutually shared transparency and trust as principles governing the relations between the OSCE and the Mediterranean Partners,
8. Emphasizing that unresolved conflicts constitute permanent security threats in the region, which hamper prospects for sustained peace and prosperity,
9. Pointing to the need to achieve a just and lasting peace for the conflict between Palestine and Israel,

##### The OSCE Parliamentary Assembly:

10. Stresses the importance of the cooperation between the OSCE participating states and the Mediterranean Partners for Cooperation to address the current global threats to security;
11. Encourages the OSCE participating states and the Mediterranean Partners for Cooperation to promote the principles of non-violence, tolerance, mutual understanding and respect for cultural diversity;
12. Stresses that the OSCE participating states and the Mediterranean Partners for Cooperation initiate an active dialogue on the growing challenge of migration;
13. Recommends the OSCE contribute to a more positive perception of migration flows by supporting the integration of immigrants in countries of destination;
14. Welcomes the appointment of the three Chairman Personal Representatives on Intolerance and Discrimination against Christians and Members of Other Religions, on Combating anti-Semitism, and on Combating Intolerance and Discrimination against Muslims;
15. Encourages the resolution of conflicts in the Mediterranean using cooperative strategies when practicable;
16. Urges all OSCE participating states to cooperate with the Mediterranean Partners on dealing with both "soft" threats to security, such as poverty, disease and environmental degradation as well as "hard" threats such as terrorism and weapons of mass destruction;
17. Calls upon the OSCE participating States and the Mediterranean Partners to promote the knowledge of different cultures and religions as a prerequisite for successful cooperation;



18. Calls upon the OSCE participating states and the Mediterranean Partners to use education as a vehicle to create tolerance in the next generation;
19. Welcomes the creation in 2005 of a free trade area between Egypt, Jordan, Tunisia and Morocco, and the extension of free trade between such countries and the European Union by 2010, as established in the 2004 Agadir Accord;
20. Welcomes the creation of qualifying industrial zones between Israel, Jordan and Egypt as a model for promoting peace and development in the greater Middle East;
21. Calls upon the OSCE to grant the Palestinian National Authority Observer status, following its request in November 2004 to be made a Mediterranean Partner for Cooperation, in order to enable it to become familiar with the OSCE and assimilate its commitments;
22. Urges the Mediterranean Partners to work with the Arab League to rescind the trade boycott of the state of Israel, as the Mediterranean Partners begin their accession negotiations with the World Trade Organization (WTO);
23. Recommends further participation by parliamentarians from the Mediterranean Partners for Cooperation in the election observation activities of the OSCE PA;
24. Recommends that the OSCE develops relations with other states in the Mediterranean basin, including Libya and Lebanon;
25. Encourages the active participation by parliamentarians from both the OSCE participating states and the Mediterranean Partners in the Third OSCE Parliamentary Assembly Forum on the Mediterranean scheduled in Sveti Stefan, Serbia and Montenegro, in October 2005.

### SAME-SEX MARRIAGE

#### PRESENTATION OF PETITION

**Hon. Gerry St. Germain:** Honourable senators, I have two bundles of petitions with the original signatures of 4,078 citizens, which was presented to me this morning for tabling today. The petitioners express their concern with the same-sex marriage legislation. These petitions come to us from the Greater Toronto Area. Even though Bill C-38 was adopted last evening, the petitioners requested that these petitions be tabled with the Senate.

This petition to the Senate of Canada expresses the petitioners' strong opposition to Bill C-38, which they believe will change the traditional definition of marriage. The petitioners insisted that there be a full debate.

[Translation]

## QUESTION PERIOD

### DELAYED ANSWER TO ORAL QUESTION

**Hon. Bill Rompkey (Deputy Leader of the Government):** Honourable senators, I have the honour of presenting a delayed response to an oral question raised in the Senate by Senator Keon on June 28, 2005, concerning the debates on the public and private delivery of services proposed by the Canadian Medical Association.

### HEALTH

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

*(Response to question raised by Hon. Wilbert J. Keon on June 28, 2005)*

The Honourable Senator Keon had inquired why the Minister of Health believes that it is 'wrong' for the Canadian Medical Association to discuss the issue of private care at its own conference, in light of the Supreme Court of Canada decision in the *Chaoulli and Zeliotis v. A.G. Quebec and A.G. Canada* case, which was decided on June 9, 2005. The Supreme Court of Canada's decision is an important decision.

The government supports a strong publicly funded health care system. As the legislation at issue in this case is provincial in nature, the Supreme Court of Canada decision does not have any immediate impact on the federal health insurance legislation, the *Canada Health Act*. This act remains valid federal legislation. The court's ruling does not affect the Government of Canada's unwavering commitment to a universal, publicly funded health care system, one where Canadians have reasonable access to health care services on the basis of need, not the ability to pay.

The Supreme Court of Canada decision highlights the need to accelerate the work that needs to be done on wait times and reaffirms the urgency of following through on the commitments made by all first ministers in September 2004 in the Ten-Year Plan to Strengthen Health Care. This plan includes additional federal government investment in health care of \$41 billion over the next ten years. Included in this investment is \$5.5 billion over ten years, beginning in 2004-05, for the Wait Times Reduction Fund which will augment existing provincial and territorial investments and assist jurisdictions in their diverse initiatives to reduce wait times.

As mentioned, there is already a large component of private care in Canada, for example, physicians remain, for the most part, independent providers almost entirely paid for by the public sector, but with significant freedom in the way they organize their practices. The *Canada Health Act* requires that all medically necessary insured health services be covered by provincial and territorial health insurance

plans. The *Canada Health Act* applies to insured health services whether they are delivered in public or private hospital facilities.

The *Canada Health Act* requires that medically necessary physician and hospital services be covered by provincial/territorial publicly funded health insurance plans. Access to insured services on the basis of medical need, and not the ability to pay, has always been the cornerstone of Canada's health care system. That being said, provinces and territories have the primary responsibility for the organization of health care. Provinces and territories determine what physician and hospital services are medically necessary and therefore insured under their health care insurance plan, in consultation with health professionals. As long as such decisions are made in a manner that is consistent with the requirements of the comprehensiveness criterion of the *Canada Health Act*, this raises no concerns from a federal perspective.

[Later]

[English]

#### VISITORS IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I would like to draw your attention to the presence in the gallery of Richard Logan, our former mace bearer, and also some guests of Senator Dyck: Dr. Betsy McGregor, of Industry Canada, Life Sciences Branch, with three summer students — Lisa Huang, Laura Gover and Sara Moores.

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

### ORDERS OF THE DAY

#### DEPARTMENT OF HUMAN RESOURCES AND SKILLS DEVELOPMENT BILL

##### THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Rompkey, P.C., seconded by the Honourable Senator Losier-Cool, for the third reading of Bill C-23, An Act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts.

**Some 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.

[ Senator Rompkey ]

#### DEPARTMENT OF SOCIAL DEVELOPMENT BILL

##### THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Rompkey, P.C., seconded by the Honourable Senator Losier-Cool, for the third reading of Bill C-22, An Act to establish the Department of Social Development and to amend and repeal certain related Acts.

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

**Hon. Senators:** Question!

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

**Hon. Senators:** Agreed.

Motion agreed to and bill read third time and passed.

#### BILL TO AUTHORIZE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

##### THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Eggleton, P.C., seconded by the Honourable Senator Jaffer, for the third reading of Bill C-48, An Act to authorize the Minister of Finance to make certain payments.

**Hon. David Tkachuk:** Honourable senators, the Senate committee hearings on Bill C-48 were held over a period of one day, symbolizing the government's disdain for Parliament, starkly revealed in a budget bill so aptly described by Senator Murray as an abomination and another blow to parliamentary control of the public purse. Furthermore, it was defended at committee by the parliamentary secretary rather than by the minister responsible.

• (1400)

I am sorry to say that Mr. Goodale from Saskatchewan was that minister; a man who has run for office in our province innumerable times, only to be absent for a bill that belittles the very parliamentary office he so often sought. In our province Mr. Diefenbaker taught us to have reverence for Parliament and all its traditions. Mr. Goodale was obviously not mindful.

It was ironic that it was senators, all parliamentarians and a parliamentary secretary from the House of Commons who sat at a committee table passing a bill that devastates Parliament's ability to do its primary job, which is to protect the public purse, dangerously delegating its responsibilities to an executive that has so little respect for the institution that it did not send a representative.

As time passes and the precedent of what we did takes hold, it will be the names of the senators who supported this incursion on the public purse that history will record as being responsible for

the demeaning of the public process of budget making and the spending of people's money.

A further irony was added to that day when it was a bureaucrat, not a parliamentarian but former Deputy Minister of Finance Stanley Hartt, who came to the defence of Parliament and their obligations. Here is some of what Mr. Hartt had to say in his remarks to the committee:

...senators should be alarmed at the precedent that Bill C-48 sets for the manner in which legislators are invited to use or, in this case, I think, fail to use the traditional power of Parliament to control public spending. These powers were hard won. We did not shed any blood in this country over them, but our forbears in Britain, whose parliamentary system we inherited, did. The supremacy of Parliament on spending matters is a very valuable tradition that we should not be so casual about.

It was the defence of this act that was truly remarkable. Senator Eggleton, the sponsor of this bill, used the argument in committee that "the Conservatives made me do it," because we had said that we would not cause an election over the budget presented. Later, when we called for an election, that is what caused the government to provoke this gluttonous spending and this unseemly bill. "It was self-preservation," he said, although not using these words, but the intent was clear. "Since you are not our friends, we had to go out and buy new ones with the taxpayers' money," best paraphrases the government's intentions.

He forgets to add that Mr. Harper and the members of our party, on hearing the testimony and confessions of thieves, fraudsters and corrupted Liberal Party officials at the Gomery inquiry believed, and we still do, that the Liberal Party has lost the moral right to govern.

While I am on the subject of Senator Eggleton's version of events, let me turn to what he said on affordable housing yesterday, where he implied that I gave a false version of testimony by Minister Fontana. Since Senator Eggleton is a proponent of full citations of testimony, he will be pleased to hear what I have to say. In talking about me, he said:

He quoted the minister, the Honourable Joe Fontana, as saying that originally our government committed to spending \$1.5 billion over five years, which was reiterated by Minister Goodale following the tabling of Budget 2005.

Remember, he is quoting me. Then he said:

Senator Tkachuk said that there was \$1.5 billion allocated in the budget over five years. They took that \$1.5 billion, made it \$1.6 billion and said that, instead of spending it over five years, they would spend it over two years.

Well, that may be what I said, but it is also what Mr. Fontana said. He said:

C-48 has now accelerated that commitment to two years.

He was speaking of the \$1.5 billion.

Further, Senator Eggleton advised me to go out and read the later testimony of Mr. Fontana, so I did. I wondered in committee, when we brought this up, why the Liberals did not

read the full testimony into the record at committee. I was waiting for them to do it because we were accusing them of this in committee. I will quote from that testimony, beginning with the section that Senator Eggleton urged me to read but which he quoted selectively. Mr. Fontana said:

About a year and a half ago, we said in our platform, "...assisted housing by providing a further \$1 billion to \$1.5 billion over the next five years. The speech from the throne committed to renewing existing programs such as affordable housing, residential rehabilitation, and support of communities.

In the budget speech, we did say: Accordingly, when our Municipal and Rural, and Strategic and Border infrastructure programs are due to expire in the normal course over the next several years, it is our clear intention to renew and extend them into the future. The same is true for our housing initiatives.

The day after the budget...

— and I am still quoting Mr. Fontana, Senator Eggleton will be pleased to know —

...the Minister of Finance indicated that as soon as we get that initial amount spent, in the future we will invest an additional \$1.5 billion in housing issues in the country.

That is what he said the day after the budget, before the deal was made with the NDP.

He goes on to say:

I think it's consistent with our commitments from the budget speech as well as our throne speech.

**Senator Eggleton:** Still not in the budget.

**Senator Tkachuk:** Keep in mind that the Minister of Finance was sitting next to Mr. Fontana and did not interject to correct him, so I will put my version of events up against Senator Eggleton's any time.

**Senator Eggleton:** You lose.

**Senator Tkachuk:** For now, let Canadians decide who is right. As for me, the only thing to conclude from this is that either the money was in the budget, in which case the NDP gained nothing, the money was going to be in the budget, in which case the NDP again gained nothing, or the money was being promised but was never going to be delivered, just like Bill C-48, in which case the NDP was lied to, but they know that now.

Honourable senators, allow me to get a few more facts straight on what Senator Eggleton said in his remarks last night when he suggested that there was no greater detail in Bill C-43 than in Bill C-48.

Let us start with \$1 billion for an innovative clean fund to stimulate cost-effective action to reduce greenhouse gas emissions in Canada. Exactly where in Bill C-43 will we find an appropriation for the billion-dollar sum? Actually, we will not. It is not in this bill. Bill C-43 sets out the legislative framework for the Canadian Emissions Reductions Incentive Agency — now there is a handle for you — which is being set up as a departmental Crown corporation to run the clean fund. Bill C-43 does not simply say the government may set or buy a corporation for purposes of the clean fund, quite the contrary. In Part 13 of Bill C-43, the Senate was provided with a detailed text creating a separate statute to administer the agency, complete with a definition, the object of the corporation, the corporate governance structure, a listing of the powers of the agency, a requirement to table a corporate plan and an annual report in Parliament, the designation of the Auditor General as the auditor and a listing of the agency in the Access to Information Act.

What do we get for the corporations to be created by Bill C-48? Absolutely nothing, other than a clause that says the government may create one. There are certain one-time payments to specific organizations in Bill C-43, but here we are told who the recipients were. Bill C-48 gives us no information on the ultimate recipients of this \$4.5 billion, nor does it spell out any terms and conditions for payment or set out any rules governing the new corporations to be established.

Before I was distracted by what Senator Eggleton said, I was talking about the government's moral right to govern.

• (1410)

For three days in the spring, the government lost control of Parliament. It had a duty to resign and go to the people. It did not do so. It behaved in the same way that party officials confessed to behaving at the Gomery inquiry. It bought a member by bribing her with a cabinet post, tried to bribe another member, and the result is that it is now a Liberal cabinet minister and the Prime Minister's chief of staff who are being investigated by the RCMP.

They then bribed another political party in the House of Commons. While Liberals may say that Bill C-48 reflects their priorities, that rings hollow, for their priorities were reflected in their budget. These are the priorities of the NDP.

Listening to the tapes that Mr. Grewal presented, one cringes at the absence of any shred of moral relevance as criminal acts are discussed with sly references, a kind of verbal wink, more akin to bad guys in movies talking on the telephone and attempting to hide their base motives for fear of telephone taps — that from a cabinet minister and the Chief of Staff to the Prime Minister.

Compare the words of Stanley Hartt, former Chief of Staff to then Prime Minister Brian Mulroney, in committee on Bill C-48 and Bill C-38 with those of Mr. Murphy discussing how past deals were rewarded.

I wonder whether the Canadian people would have been proud of the discussions that took place in the hotel room between the Liberals and the NDP. The sleaze that oozed out of that room

and under the door resulted in \$4.5 billion in spending, with the Liberal attitude to it being best represented by the words of a Liberal senator in committee:

I have not had an opportunity to see the agreement between the NDP and the government. I looked at the bill and cannot help but think that either the NDP is truly naive or the government is truly clever.

With friends like these, honourable senators, there may have only been social intercourse in that room, but many of us out West would have used the vernacular of that adjective to describe what happened to the NDP and to the poor taxpayers of Canada.

There are those in the press who are rather enamoured of the machinations of the Liberal Prime Minister, a kind of beguiling leadership — you can look it up — a crafty Machiavellian, this Mr. Martin. The press thinks this is how politics is done. Not too many weeks ago, those same newspapers were saying that the Liberals had no choice but to resign.

The Liberals then justify their behaviour: "We all do it." It does not matter what party is in power. "This is how we all behave." How dare they? There is no revulsion at their behaviour as long as it serves their self-interest. We on this side of the Senate say it is time that we cleaned up this place, threw those sellers of favours out of town and jailed those crooks, because Canadians deserve better than that; they should be able to expect better of political parties.

Our minority report lays out the classic view of parliamentary governance that we on this side believe in and expect to institute when we win the next election. We talk about the need for transparency and accountability. We talk about the need for Parliament to play a role in holding the government accountable, especially when it comes to the budget bill and taxpayers' money. We talk about democracy.

For some time, Paul Martin has billed himself as the champion of democratic reform. What we failed to appreciate is that when he was talking about reform, he was referring to closing down the system rather than opening it up.

It is true that a person's essential character is sometimes revealed when they face hard times. Bill C-48 is evidence of Mr. Martin's character, a man who deals in expedencies and will go to any lengths to hold on to power, the parliamentary system be damned.

Then again, what harm is there in making a deal if you know you intend to break it? That is what they did to the NDP. It is a double-cross and a breach of the agreement. No, I did not say that; the NDP Finance critic said that last week when she learned, through our hearings, that the \$4.5 billion would not begin to flow until sometime late next year, or maybe 2007 — or not at all if there is no surplus beyond \$2 billion. Perhaps the NDP got what it deserved because, in making this deal, the NDP also showed wilful disregard for its fiduciary responsibility to the people of Canada. The time for lobbying for special interests is before the budget, not after.

Now they are crying foul. NDP Finance critic Judy Wasylycia-Leis is saying things like the more distance the Liberals can put between the NDP budget and the actual expenditure, the more it is to their political advantage, and the more work we have to do to remind Canadians just how this happened.

That is rich. In one breath, the NDP colludes with the government in a budget bill that does an end run around parliamentary oversight, and then in the next breath it seeks to appeal to Canadians to fix the mess into which the NDP has got itself and us, the taxpayers.

It seems that it will be up to the members of the Conservative Party to protect the NDP from itself. It will be up to us because we are the only ones who are protecting Canadians and taxpayers from the Liberal Party and the Liberal government. It is only the Conservative Party. The New Democratic Party gave up on that process when it made this deal with the Liberal Party of Canada and with Paul Martin. Now it is crying that it was lied to, it was misinformed, that it will not get the money. The NDP has to go to the Canadian people and say, "Make sure that you tell them to do what they promised us they would do."

**Senator Mercer:** How do the polls do?

**Senator Tkachuk:** Honourable senators, I ask you to oppose this bill.

**Hon. Lillian Eva Dyck:** Honourable senators, I admit to being somewhat confused over Bill C-48, and I thank Honourable Senator Tkachuk for raising the issue of the NDP involvement in that bill. Looking at the newspapers on the weekend, the headline I saw was, "NDP cries foul over budget deal with Liberals." It reads that the Liberal critic, John McKay, Parliamentary Secretary to Finance Minister Goodale, told the Senate Finance Committee that the \$4.5 billion budget money would not be doled out until the summer of 2006. However, as we all know, and as Senator Tkachuk also pointed out, finance critic Judy Wasylycia-Leis indicated that the NDP in the other place was expecting that the money would materialize sometime this fall.

Senator Eggleton's introduction to third reading also mentioned timing. There seems to be conflicting pieces of information as to when the money will actually start to flow. Certainly, the NDP in the other place was under the impression that an agreement had been struck that the money would start to flow this fall. It makes sense if you look at the bill. Clause (1), subsection (1) talks about the fiscal year 2005-06, which would indicate that that could happen at any moment. If we are not to start spending the money this year, why then do we have a clause dealing with this year? It is a little confusing, and I would like clarification on the timing.

The last time I spoke, I said that Bill C-48 contained items that were "motherhood" issues that we all think of as being important, namely, things such as affordable housing, increased money for training and post-secondary education, and increased foreign aid. In the appendix to the committee report on Bill C-48, they were called "fine sounding objectives."

• (1420)

Now the Liberal government is trying to claim credit solely for Bill C-48. In fact, as my honourable colleague Senator Tkachuk has said, perhaps there has been a little bit of a double-cross in that suddenly the money that we thought was going to flow will not flow.

We all know, and certainly I as an academic at a university and a professor know, that ideas are important. They are the engine that drives our society. In an academic circle it is well known that if you have an idea you do not attempt to claim credit for it because if you do and it is not your idea, that is considered intellectual theft. I would not want to claim credit for something that is not mine, and I do not expect the Liberal government to claim credit for something that is not theirs because then they could be accused of, and perhaps found guilty of, intellectual theft.

At any rate, no idea, no matter how good it is, can stand on its own. We all know, and certainly those in the scientific community know, you could have a brilliant idea, but it will go nowhere unless you have the right people to carry it out, and unless you have the right process for implementation. Honourable senators on this side have talked about the process of implementation. There must be the correct process. You can have a great idea but it will not necessarily work out.

Bill C-48 contains money that will go to very good issues. If that bill is not properly managed, then it will fail.

Let me give you another scenario. Let us say it is so badly carried out by the Liberals that it fails. Then they will have egg all over their face. In that case, will they still claim credit for Bill C-48, or will they say the NDP made them do it?

My question then revolves around the timing. When will this happen? To continue with what Senator Tkachuk was saying as well, perhaps the NDP in the other place would have been wiser had they actually insisted upon a continuing relationship in a minority government, not only to institute Bill C-48, but also to ensure that there was a continuing involvement: to ensure that the bill is properly implemented so that it will lead to success. By a partnership they will have success. If they fight against each other, perhaps the bill will not succeed. They could blame each other and say who was naive and who was not, who was duped and who was double-crossed and so on, but the relationship perhaps would have been better had it continued to make sure the money went to the places in a process the NDP envisioned.

If this issue was part of the Liberal government intentions, then it should have been in the original bill. It was not. They do not seem to have the conviction to carry it out. The NDP in the other place in good faith thought it could be carried out, and perhaps now are left with blind faith, hoping that the Liberal government will manage to carry it out on their own and make it successful.

**Hon. Art Eggleton:** The honourable senator has raised the matter of whether this agreement stands as it was made. In the preamble to my question, I would indicate that yes, it does. There is no change in the understanding from the understanding that was reached between the government and the New Democratic Party.

The honourable senator is aware, I assume, that the basis of the agreement is to allocate the \$4.5 billion after a \$2 billion surplus has been reached. In fact, we do not know that the surplus has been reached at this point in time. This is unplanned surplus. When it is reached, then the government, the finance minister, is in a position to start considering allocations. The absolute timing of whether there is a \$2 billion surplus is not known until the end of the fiscal year, which is the end of next March. Indeed, the books are not closed and verified as to the surplus position until the following August.

While the Minister of Finance can start the allocation even before, if he is sure about the \$2 billion, it is the \$2 billion threshold that has to be met. The agreement says that it could be done in either one of the two following fiscal years. In effect, the agreement is being adhered to. Is that not so?

**Senator Dyck:** Honourable senators, part of the communication process here has to do with the timing of the surplus. As I understand it, the NDP in the other place understood that the surplus would be determined by the estimates this fall, not the final estimates. From the briefing notes I have, that is the situation.

**Hon. Donald H. Oliver:** Honourable senators, I would like to join in the debate on Bill C-48, to authorize the Minister of Finance to make certain payments. As has already been indicated, the intent of the bill is to allow the federal government to spend up to \$4.5 billion in specific purposes over the next two fiscal years. This new spending is to be allocated in four ways, already outlined in this chamber: \$1.6 billion for affordable housing; \$1.5 billion for post-secondary education and training; \$900 million for the environment, including public transit and energy-efficient retrofit; and \$500 million for foreign aid.

Bill C-48 was referred to the Standing Senate Committee on National Finance, which, as you know, I chair. Our committee examined the legislation very carefully and received evidence from a wide range of witnesses, including the Honourable John McKay, parliamentary secretary to the Minister of Finance, and officials from the Department of Finance; Charles-Antoine St-Jean, the Comptroller General of Canada, and his colleague, John Morgan; officials from Human Resources and Skills Development Canada, and representatives from both the C.D. Howe Institute and the Canadian Council of Chief Executives.

Honourable senators will recall that during the debate on second reading I expressed a number of concerns on Bill C-48. On the one hand, I stressed that the bill contains no explanation of the mechanisms for spending. On the other hand, I also pointed out that the proposed legislation offers little provision for adequate parliamentary oversight. Moreover, I indicated that the bill does not provide sound accountability mechanisms. I also expressed the concern that Bill C-48 raises issues related to fiscal responsibility.

I must admit, honourable senators, that one day's set of hearings devoted to Bill C-48 by the National Finance Committee did not calm my fears. Numerous witnesses shared the view that Bill C-48 is highly problematic. There was a lengthy list of

reasons. I would like to quote Stanley Hartt, who eloquently stated:

As a former Deputy Minister of Finance, I find it troublesome to see Parliament commit, for whatever reason, even contingently, significant portions of surpluses yet unearned.... Prudence and Parliamentary practice should dictate that the House and the Senate appropriate moneys when programs have been thought through and developed, when program parameters exist that can be set before the legislators whose control of the public purse is paramount and who are entitled to know what spending they are actually approving, and not merely be required to rely on a list of fine-sounding objectives.

Honourable senators, I will now summarize the concerns raised in the committee hearings on Bill C-48. Witnesses told our committee that Bill C-48 focuses almost exclusively on money and leaves out important details on the nature of expenditure. While the legislation provides the level of funding to be allocated among the four general areas of spending that I have already enumerated, it does not describe a mechanism that spells out how investment will be made in each area. Will it supplement existing measures or will new programs need to be put in place? We do not know from Bill C-48. Which departments, agencies, foundations or other entities will be responsible for administering those funds? Bill C-48 does not provide any answer to these basic and fundamental questions.

• (1430)

Moreover, the bill does not set out what it intends to accomplish. Witnesses before our National Finance Committee insisted on the fact that no objectives or goals are defined and no outcomes are articulated. It will be difficult to assess whether Bill C-48 will result in good value for money. Maybe that is what our Auditor General, Sheila Fraser, will have to investigate. In other words, honourable senators, we are asked to vote on legislation worth \$4.5 billion with no information as to how it is to be delivered, to whom it is to be provided, which department will manage the funds and which specific purpose it is to serve. Parliamentarians are given no information whatsoever to help us make an informed decision. Perhaps more importantly, witnesses indicated that Bill C-48 is disconnected from the usual priority-setting process of budget-making. In this perspective, Finn Poschmann from the C.D. Howe institute stated:

Bill C-48 arrived from outside the budget process so it was completely severed from the trade-offs normally involved in budget making. Budgets are intended to reflect the balance of competing priorities that policy making and politics are supposed to produce. Bill C-48 is a footnote to that process.

Simply put, this bill does not have the kind of details that a budget bill usually has. Normally, when a bill is debated in either House of Parliament, there is more understanding about where the money is going than there is in this case. With Bill C-48, there is no detail about any of the programs. It is left entirely up to the government.

Honourable senators, Bill C-48 is another way in which authority is given by Parliament to the government to appropriate and spend funds. This bill constitutes legislated spending authority. More precisely, clause 1(1) provides that, "the Minister of Finance may, in respect of the fiscal year 2005-06, make payments out of the Consolidated Revenue Fund." That is the authority that provides statutory appropriation with one limitation — the amount, which is determined based on the surplus. The maximum is \$4.5 billion and the individual limits are contained in clause 1(2).

During the hearings, Mr. Peter Devries, from the Department of Finance, told the committee:

Bill C-48 gives the government authorization to make the payments to the entities that have been set up....The government will not be going back to Parliament for authority to spend that money. Bill C-48 gives the authority to spend that money.

As such, it will allow the Minister of Finance to decide whether to spend the proposed amount of money. In my view, this is almost a blank cheque to the government for spending in four areas that are barely defined at all.

The fact is that the government of the day retains a tremendous amount of discretionary power over how the money is allocated under this bill. The \$4.5 billion is also discretionary as to when it will be spent. It could all be spent in the first year out of surplus, or the second year, or some combination thereof; or it could not be spent at all in the event that there is no surplus beyond the \$2 billion.

Perhaps more importantly, the government also has the authority to propose other spending legislation that would eliminate the room for spending under this bill. If I were the NDP, I would be concerned about that. Bill C-48 is not binding and contains an element of open-endedness. If the surplus is greater than \$2 billion, nothing in this bill would prevent the federal government from spending the money in any way it chooses. There are no formal restrictions in Bill C-48. In other words, honourable senators, the threshold of \$2 billion could be raised. Over and above that, there might be \$1 billion or \$2 billion, but there is nothing in Bill C-48 that says that the additional \$1 billion or \$2 billion over the threshold of \$2 billion must be spent in accordance with the four targeted provisions of this bill.

Honourable senators, there has never been a bill like this one in Parliament. It is an unprecedented assault on parliamentary control of the public purse. What if the government comes back in the fall with another two-page bill asking Parliament to vote, let us say, \$15 billion for six categories of spending? Is that the precedent, and is this the way we want to go in Canada? Stanley Hartt raised this concern when he told the committee:

Senators should be alarmed at the precedent that Bill C-48 sets for the manner in which legislators are invited to use or, in this case, I think, to fail to use, the

traditional power of Parliament to control public spending....The supremacy of Parliament on spending matters is a very valuable tradition that we should not be so casual about.

Charles-Antoine St-Jean, the Comptroller General of Canada, reassured the committee that, prior to payments being made, the terms and conditions will require approval by the Treasury Board. These terms and conditions will detail more specific program parameters along with appropriate levels of audit, evaluation, reporting and accountability provisions. His office will review such proposals prior to their submission to Treasury Board. He also indicated that, subsequent to Treasury Board approval, funding agreements will then be signed with the recipients outlining the terms and conditions for the payments and their dependency on the condition of the fiscal surplus. Mr. St-Jean also stressed that the various estimates documents and the Public Accounts of Canada will highlight the responsible ministers and departments, the recipients and the details on how these funds are intended to be used and, subsequently, how they have been used.

This leads to my concern that parliamentarians will obtain information on the detail of all the spending proposed under Bill C-48 only *post facto*. As such, we are asked only to rubber stamp the proposed legislation. This is not the way that budgets are supposed to be made. Parliamentary input into the budget-making process has been clearly lacking.

Honourable senators, Bill C-48 is unique in that it is the first time that spending authority would be provided that is subject to there being a minimum fiscal surplus. The money will not exist unless there is a surplus. The spending initiatives will not take place unless there is a surplus of at least \$2 billion. Is this an appropriate way for the government to manage its future spending?

The Comptroller General of Canada told the committee that Bill C-48 represents a "prudent approach to fiscal management" in that such fiscal dividends would be authorized only to the extent that there is a \$2 billion surplus in the next two years. Mr. St-Jean also believes that Bill C-48 provides more lead time to determine the specific management frameworks concerning the programs.

A number of witnesses before our committee did not share his views. One of them even argued that Bill C-48 is somewhat "a mortgage on future surpluses." Other witnesses insisted on the fact that the proposed legislation does not contain any clear measures for government accountability. Through Bill C-48, the federal government seeks authority to spend \$4.5 billion without a plan and without offering Parliament the necessary information as to what the executive can be held accountable for. As Chair of the Standing Senate Committee on National Finance, I am concerned about that.

Another major flaw in the bill is its lack of regard for good governance. David Stewart-Patterson, Executive Vice-President of the Canadian Council for Chief Executives, told the committee the following:

• (1440)

Bill C-48 is a post-dated blank cheque.

I cannot express it any better than that, honourable senators.

Bill C-48 is a post-dated blank cheque. It gives a future cabinet authority to spend all this money in any way it sees fit, including new programs, agreements with other governments, grants and contributions, and even setting up new crown corporations. At a time when Canadians are calling for greater transparency and greater accountability in the use of public funds, this bill shifts more than \$4.5 billion behind closed doors. It will allow the government of the day to make political decisions about where and how to spend this money without the need to come back for further Parliamentary approval. It may not expand the risk of return to financial deficits, but I would argue that it increases rather than decreases the democratic deficit.

Honourable senators, I am also concerned that Bill C-48 may be raising false expectations. It will be for the government to determine the precise allocation of those funds within the limits set out in the bill. There is, however, no obligation to spend the money on those four areas. Because there is nothing mandatory in this bill, this could raise false hopes for potential recipients such as low-income students, people living on social housing, Aboriginal Canadians and so forth. If the money is available but may not be used, does this not raise false hopes? What is prudent about that? If the surplus is not there, some people will be disappointed. Even if there is a surplus, it may not be used for their needs.

A number of witnesses also suggested that the proposed legislation will make it very difficult to continue on a path of debt reduction and tax relief that is so critical to ensuring economic prosperity. Honourable senators are aware that usually any unanticipated surplus at the end of the fiscal year is automatically directed to debt reduction. Over the next two fiscal years, a good part of any surplus may be used to fund the new spending initiatives contained in this bill. The pace of debt reduction might, therefore, be slower than in the past.

Mr. Sam Boutziouvis from the Canadian Council of Chief Executives cautioned that Bill C-48 may limit the federal government's fiscal flexibility. He warned:

...this bill will reduce the government's fiscal flexibility and we need greater flexibility moving ahead. With respect to the debt pay down, we have been highly supportive of the government's fiscal parameters over the past decade.

**The Hon. the Speaker:** Senator Oliver, I am sorry to interrupt, but your time has expired.

**Senator Oliver:** Could I ask for another three or four minutes?

**Hon. Jack Austin (Leader of the Government):** Five minutes.

**The Hon. the Speaker:** An additional five minutes. Is it agreed, honourable senators?

**Hon. Senators:** Agreed.

[ Senator Oliver ]

**Senator Oliver:** Continuing to quote the official from the Canadian Council of Chief Executives, who says the government might lose its flexibility under Bill C-48:

In fact, we have argued strenuously since 1994-95 that we needed to balance the books. The government's fiscal parameters have been budget balance, contingency of \$3 billion to the debt and, recently, the target of debt to GDP ratio of 25 per cent. These excellent fiscal parameters, in our view, have served the Canadian people well over the past decade. Bill C-48 arguably would affect those fiscal parameters.

In conclusion, honourable senators, Bill C-48, as it is currently drafted, raises numerous concerns related to the lack of accountability and most of all a lack of opportunity for parliamentarians such as us to exercise oversight. It also mitigates long-term planning that is necessary for fiscally responsible government and creates uncertainty with respect to debt and tax reduction.

There are many problems with Bill C-48. In particular, we need to ask ourselves whether this bill sets a dangerous precedent for Canada, as it provides the federal government with the authority and the flexibility to spend, as it sees fit and without parliamentary scrutiny, up to \$4.5 billion in the next two years without requisite transparency or accountability.

The failure of important concepts of transparency and accountability, parliamentary oversight and systemic payment mechanisms must not be allowed to be repeated.

**Hon. Terry Stratton (Deputy Leader of the Opposition):** Honourable senators, the most alarming thing about Bill C-48 is that we are asked to vote \$4.5 billion before we are told how the funds are to be spent.

**Senator Kinsella:** That is innovative.

**Senator Stratton:** As Mr. Finn Poschmann of the C.D. Howe Institute put it, quite succinctly:

This legislation asks Parliament to pre-authorize contingent spending on a bunch of nice things and a player to be named later.

**Senator Munson:** That is not bad.

**Senator Stratton:** I thought so.

The way we are asked to vote spending authority through this bill stands out in stark contrast to the supply process. A clear example of this is the funding for foreign aid, a term that can include significant amounts of military aid. The government is free to spend \$500 million to fight famine in Africa, but it is also free to spend it on military aid to Zimbabwe, where driving people from their homes is the preferred way to cut urban poverty.

Usually spending requests come to Parliament in one of two ways. The first is through a budget bill for which we can turn to the Budget Plan for detailed information. The second is through the estimates, where we are given extensive information before we vote the money.



Honourable senators, most of Canada's foreign aid budget is delivered through the Canadian International Development Agency, or CIDA. The information that we receive from CIDA through the estimates process stands in stark contrast to Bill C-48.

On page 3 of CIDA's Report on Plans and Priorities, there is a signed letter from the Minister of International Cooperation. It tells us that this report to Parliament "outlines our priorities and program of work and the result we expect to achieve." We are not simply told, "\$2.8 billion for foreign aid." Rather, we are given extensive information telling us, for example, that \$1.4 billion is for specific geographic programs in Third World nations and that \$292 million will be for partnerships with international organizations. We are told that CIDA will provide \$65 million in grants to aid former Soviet Bloc countries in their transition, and we can ask how much longer we will be funding this transition. We know that \$2 million will be spent on programming against hunger, and we can then debate whether this is sufficient. We can question the officials as to how they arrived at the levels of expenditure for each program operated by the agency, and we can expect to be given answers.

We are given the reasons for the various programs that operate within the agency and expected outcomes. For example, we are told that the private sector development plan program seeks to strengthen support for rural entrepreneurs, supporting private sector development that contributes to equitable economic growth. We are told that it will spend \$130 million on salaries and \$58 million on professional and special services, so we can question them not only on the size of the payroll but as to why they are hiring so many consultants. In other words, we are given the information that we will need to hold the government accountable.

In this bill, \$500 million for foreign aid is the only information we have. There are no details as to how the funds will be delivered or how the projects or programs are to be funded. We do not know what agreements the government plans to enter into with the new or existing private sector partners or whether the funds will flow through a new and as yet undefined foundation. We do not know how or when Parliament will be informed once the government decides how the money is to be spent, or whether Parliament will even formally be advised in advance as to how the information will flow through press releases to the media, as an example. We have not been given any measurable outcomes.

Indeed, to provide but another example, the money for housing is being promoted as a way to reduce the number of homeless Canadians. The government has not told us how many homeless people will actually be housed by this expenditure. In the interests of accountability, should there not be a measurable outcome attached to the money for housing?

• (1450)

A letter sent by Jack Layton to his supporters on April 27, the day after the original agreement in principle, stated that the deal contained:

...\$1.5 billion to reduce the cost of post secondary education for students and their families via an agreement with the provinces and territories; and better training for workers through the E.I. system.

Is the government planning to deliver the additional funds for training through the EI system? If so, will it impact on the EI break-even premium? We do not know. If not through the EI system, then how will it be delivered? We do not know. If this had been a part of the original fiscal plan, it would have been spelled out in the Report on Plans and Priorities for Human Resources and Skills Development.

Usually when we vote money, we also know which minister is responsible for ensuring that the funds are properly spent, but this is not the case with Bill C-48. Will the foreign aid dollars be under the direction of the Minister of Foreign Affairs, or the Minister of International Cooperation, or the Minister of Defence, or the Minister of Finance, or, for that matter, the Prime Minister, where it could be used to launch the "international sponsorship fund."

**Senator LeBreton:** Why not?

**Senator Stratton:** While \$50 million for a plaque in the presidential palace in Nigeria or Bhutan might sound far-fetched, if you do not define how the money is to be spent, anything is possible. Will the funding for the environment be under the Minister of the Environment, or the Minister of State for Infrastructure and Communities, or the Minister of Labour and Housing, or some combination of ministers; which is it to be?

Mr. Peter Devries, Director General, Deputy Minister's Office, Department of Finance Canada, told the Standing Senate Committee on National Finance:

These are statutory programs, Mr. Chair, and because of the authority set out in the bill, the programs set out become statutory payments.

Honourable senators, on page 1-30 of this year's Main Estimates, we are told that the statutory authorities are:

Those that Parliament has approved through other legislation that sets out both the purpose of the expenditures and the terms and conditions under which they may be made. Statutory spending is included in the Estimates for information only.

It is hardly reassuring to be told that this is statutory spending and, even then, there is far less legislative guidance than is normal for a statutory item. Old Age Security is statutory. We know in advance who is eligible for what level of benefits. Payments to provinces for equalization and health care are statutory and are paid in accordance to a formula enshrined in law. Employment insurance is statutory. The basic eligibility and benefit rules are set out in law, with limited scope for fine tuning. The Prime Minister cannot, on his own, authorize a doubling of benefits for CSL crew members laid off during the winter shutdown of the St. Lawrence Seaway. He would have to ask Parliament to change the rules.

Honourable senators, we have no guidance and no direction beyond broadly worded categories, such as foreign aid. We will not know in advance how the funds are to be spent unless the government tells us, at their convenience.

Mr. Devries also told the committee that:

These funding arrangements would have to be in place prior to March 31. We have to establish the liability with respect to each of those two fiscal years during the fiscal years in question. We cannot do it after the fact.

In other words, the government will have to know before March 31 who is getting the money. The funding agreements would have to be in place.

Mr. Devries also told the committee that Parliament would be provided with details "in the first Supplementary Estimates of 2006-07, which would be tabled in around November, as per tradition." Allow me to make a few observations about this.

First, the November 2006-07 supplementary estimates will be tabled more than six months after the end of the fiscal year and one to two months after the books have been closed. The money will have been spent. Mr. Devries told us that the government would be issuing cheques in September or October 2006. The same is true if the money were reported through the fall Departmental Performance Reports — the money will have been spent and we may not be given a chance to scrutinize the details in advance.

Second, the supplementary estimates deal only with the current fiscal year and do not provide updated figures for the previous fiscal year. By the nature of this bill, these payments, likely made in the fall, will be, for accounting purposes, last year's money.

Allow me to provide an illustration. The February 2003 budget provided several one-time payments, most of which were to be booked to the outgoing 2002-03 fiscal year and a couple of which were to be booked to the incoming 2003-04 fiscal year. That fall, there were no updates to any statutory programs in the November Supplementary Estimates (A). There is no clear legal requirement that this be done. There was an update when we got to the March 2004 Supplementary Estimates (B) for that year's statutory spending, but not for any spending that was booked to the previous year.

Indeed, we looked carefully to see if the backdated spending from Budget 2003 was reported in this way. The \$600 million to Canada Health Infoway, the \$25 million for the Canadian Health Services Research Foundation, the \$70 million for the Canadian Institute for Health Information and the \$500 million for the Canadian Foundation for Innovation were not in the supplementary estimates. However, the funding that Budget 2003 said would be booked to the incoming 2003-04 fiscal year was included, as the estimates were updating Parliament of the estimated costs in that fiscal year of a statutory item, which would be expected.

All of the money authorized through Bill C-48 is to be backdated when the cheques are cut in the fall. We will be looking with interest to see if Treasury Board changes the format and structure of the supplementary estimates to include statutory items pertaining to a previous year.

As well, honourable senators will note that there is somewhat more precision than in the past when the year-end funds were disposed of. The 2003 budget did not say \$705 million for health but, rather, it outlined the specific amounts to be provided to three specific foundations.

We may have problems with the accountability of these foundations, but at least we know what we were voting on and we know the mandate of those foundations. However, this is all a red herring. Even if we are given this information in the supplementary estimates, it will be after the fact and not before.

The government has held out the prospect that we might receive the information before the fall. Mr. John Morgan, Acting Assistant Comptroller General, told the Finance Committee:

It is not inconceivable that in the 2006-07 Reports on Plans and Priorities for the respective departments they would be able to include what has come about in terms of these negotiations and their respective direction. I believe there would be some opportunity to look at these documents as part of the estimates process. As we indicated earlier, these are statutory disbursements, but they are reported in the estimates and are subject to the scrutiny of Parliament.

Honourable senators may want to keep two things in mind about this. First, with the election promised for next spring, we may not see the Reports on Plans and Priorities until the fall because they cannot be tabled when Parliament is not sitting. The cheques may be cashed by then. Second, the words "not inconceivable" can also mean "not guaranteed" or "remotely possible." It is not inconceivable that I will hit a hole-in-one the next time I golf.

Honourable senators, there would appear to be no operational barriers to Parliament being given this information well in advance of the spending. What we lack is a legal requirement that this be done and a formal mechanism for their review.

• (1500)

The issue is not the Treasury Board's internal checks and balances, even though those same internal controls allowed the sponsorship program to continue for several years until the government was caught. The issue is Parliament's right to scrutinize spending in advance of those funds leaving the Consolidated Revenue Fund.

As Mr. Hartt told the committee:

Senator Eggleton pointed out twice to previous witnesses that Parliament has oversight in the sense that after the fiscal year end, as it is becoming clear whether there is any money and what it might be spent on, they can call people in and ask for explanations. That is a kind of oversight, but it is not the kind of oversight that I traditionally associate with the parliamentary control over the spending power.

In other words, the money is blown; now, we are going to be told...

**The Hon. the Speaker:** Senator Stratton, I am sorry to interrupt but your 15 minutes have expired.

**Senator Stratton:** I request a minute.

**The Hon. the Speaker:** You have five minutes, it appears, Senator Stratton.

**Senator Stratton:** I will take less.

I will begin that sentence again.

In other words, the money is blown; now we are going to be told, because people are nice and they will show up and sit in this chair, how it was blown.

Honourable senators, before it spends the money, the government should come back to Parliament with information similar to that in the estimates. If the government were willing to do so, this could be done as early as in the spring.

Further, if this kind of advance spending authority with incomplete information is to become the norm — the government senators in committee were making a virtue of this — then let us retain some limited ability to scrutinize the spending before the cheques are cut.

**Hon. Lowell Murray:** Honourable senators, earlier in the debate, Senator Tkachuk quoted me accurately as having described this bill as an abomination. A few days after I made that remark at the committee, the word, with my name attached to it, leapt out at me from a headline in *The Hill Times*.

I recall the word from my less-than-perfect attendance at scripture class when I was a student at St. Francis Xavier University half a century ago, but I thought since I had resurrected it to such effect that I should go back and confirm its meaning.

I looked in the *Oxford Dictionary* and the definition of abomination is “thing that causes disgust or hatred”; and then two examples are given. One is “the Pharisees regarded Gentiles as an abomination to God”; and the other is, “a Calvinist abomination of indulgences.”

Neither Senator Tkachuk nor I would want to be associated with either of those sentiments, and therefore I may want to find an appropriate synonym when dealing with this bill. As for God, I do not think we should bother him about Bill C-48. He might be inclined to respond that he has heard enough from the Senate this week.

Now, let me say that the bill is an affront to Parliament, and that I am dismayed that such a bill should be before us. It should never have gotten this far. The House of Commons should have turned it back and told the government to do it right.

Let me say to Senator Dyck and Senator Eggleton that the confusion that supposedly exists about the Liberal-NDP agreement, and the sense of betrayal that is so manifestly felt by the New Democrats, could all have been avoided — though not perhaps in the way that Senator Dyck has suggested — by following due process. The government could have brought in a budget bill with the kind of documentary support that is normal for budget bills.

There is no rush about this; that is obvious. The government has not changed its position in the past few days, even under some pressure from the NDP. It is obvious that they will not make up their minds to spend any of this money before the fall of 2006. That is the position of the government; so what was the hurry about bringing in this generality of a bill with no detail as to how the money will be spent?

What is saddest about this to me is that Parliament continues to cooperate in its own marginalization. In the last few years, we have had two retroactive tax bills that were without precedent and that broke even the government's own guidelines about retroactive tax bills. In one case, the government reneged on a consent to judgment that the Crown had made with some school boards in Quebec and reversed it. In the second case, a definition in the Income Tax Act was changed retroactive to 1988.

Now we have Bill C-48. Bill C-48, as someone said, is a blank and post-dated cheque. The Department of Finance is running the government. The Department of Finance is running the country and not doing a very good job of it. Who but the Department of Finance was responsible for the bad faith negotiations that took place with the province of New Brunswick in recent weeks? I understand from the media that Senator Kinsella intends to move an amendment to this bill on this subject, and good for him.

I do not believe that the people who went to negotiate with New Brunswick on behalf of the Government of Canada went in with bad faith. I do not believe that the Leader of the Government in the Senate, who expressed a week or so ago his interest in seeing a successful outcome to these negotiations, was dealing with us in bad faith; but what happened?

What happened is that the Department of Finance at a given moment walked in and brought down the hammer and said we will have none of this; it would be a bad precedent to offer any financial assistance to New Brunswick for the rehabilitation of the Point Lepreau nuclear plant. Never mind that for years the Government of Canada has bent itself out of shape trying to flog that technology to all kinds of regimes overseas, some of them dubious. Never mind that the Government of Canada, several generations ago, brought Quebec and Ontario into the nuclear power field on generous terms. Never mind that with New Brunswick itself, when their turn came in 1974-75, they lent us half the money. I say “us” because I was there on the New Brunswick side of the table on those days. All this is for naught, because the Department of Finance at a given point says, no, it will not be done.

When I was growing up and following major league baseball, the New York Yankees were such a powerhouse, winning World Series after World Series, that the cry used to go up every now and then in the sports pages and elsewhere to break up the Yankees, meaning spread the talent around so there would be a more competitive environment in major league baseball.

I have come to the conclusion that that is what should happen to the Department of Finance. The Department of Finance should be broken up. It is clear that there is nobody — no agency, no power in the government — to say to them, nay. Privy Council Office seems powerless; the Department of Justice, which normally would restrain them in the use of such things as retroactive law, has become a cipher in recent years. The checks and balances that used to exist in the cabinet system no longer seem to apply.

I am not certain how you would break up the Department of Finance, but there are experts in public administration who could help us with this. I note that the government has appointed Professor Donald Savoie of New Brunswick, Professor Ted Hodgetts, who literally wrote the book on public administration in Canada, Professor Ned Franks and various others to look into changes to the public administration.

I think these people ought to take under consideration the Department of Finance. They have, in my opinion, a malign influence on public policy, and even allowing for the fact that management of public finances has to be a central element in public policy, they have a disproportionate influence on the public policy choices that are put before the government.

• (1510)

I think it is time to consider this: Dozens of government reorganizations have taken place in the past 40 or 50 years. There has been an upheaval in the public administration. With a single small exception, that being the creation of the Treasury Board as a separate portfolio in the early 1960s, the Department of Finance is the one department that has never been touched by any of these reorganizations. I think the time has come to revisit the Department of Finance and break it up into manageable, accountable, responsible pieces that will have some responsibility and some sense of how parliamentary democracy should work, which is not present at the moment.

I do not want to impugn individuals in the Department of Finance. There are, as I have indicated, some very talented people in that department. The problem may be that too many of them are located there. From a purely human point of view, it was somewhat reassuring to observe the discomfort of some of the Department of Finance witnesses who appeared before the Standing Senate Committee on National Finance on Bill C-48. If ever I saw witnesses who wished they were elsewhere, it was some of the witnesses from the Department of Finance. The parliamentary secretary could do no more than say that Aboriginal housing was a good thing, the environment was a good thing, and all these other fields were good. He contented himself with that and — hats off to him — he did not venture to give a very reasoned or, indeed, any kind of defence for the process that was involved.

The two officials from the Department of Finance said, as I think Senator Tkachuk and certainly Senator Stratton referred to, that this is statutory spending like any other. We know what statutory spending is. It is old age pensions, equalization payments and that sort of thing. This is not statutory spending except in the narrowest and most technical legal sense.

The testimony of the other witness, the Comptroller General of Canada, Mr. St-Jean, was referred to earlier by Senator Oliver. His idea was that if one really thought about it, this was somewhat prudent of the government, because now we would know what the government might spend its money on if there is a surplus. However, we have a list of fields and no detail. There is not the kind of documentation that normally accompanies a budget bill.

Speaking of prudence, a witness from the C.D. Howe Institute who appeared before the House of Commons committee did the arithmetic and found that, over the last eight years, the government had racked up \$45 billion in unanticipated revenue — that is, revenues were \$45 billion higher than had been forecast in their budgets — and \$9 billion of unanticipated savings from lower-than-expected interest rates. That comes to \$54 billion, of which \$35 billion went out in unanticipated program spending at the end of the year. There is something wrong with this picture. This is not prudent management of our financial affairs, not by a long shot.

Honourable senators, while “abomination” might have been too apocalyptic and scriptural a description, I think you know how I feel about this bill. It should be sent back. There is plenty of time. It should be sent back and the government should be told to do it right.

I look forward to hearing Senator Kinsella, and I hope I will be able to support the amendment that he proposes with regard to the Point Lepreau nuclear plant in New Brunswick.

**Hon. Madeleine Plamondon:** Honourable senators, if this bill is adopted and there is an early election, would the new government be bound by the bill?

**Senator Murray:** Honourable senators, if I were leading the new government, no.

**Senator Plamondon:** If it is the law, is any new government not bound by it?

**Senator Murray:** Honourable senators, I was thinking about the way in which the bill was drafted. I have made the point that the Department of Finance could have done so much better in terms of detail, because there are programs to which this money could have been directed.

It is my surmise that they have deliberately drafted this bill in such a way that will give them as much wiggle room as possible. A simple-minded person would think that this \$4.5 billion, if it materializes, will be \$4.5 billion to be spent in addition to existing commitments. However, in the way that they have drafted this bill, they can use that \$4.5 billion to pay for commitments that they have already made. The one thing the Department of Finance is very good at is imaginative and innovative drafting, so

this will happen. Already we are told that an agreement of some kind that was made between the federal government and the Government of Ontario some time ago relating to a number of things will be partly paid for out of this \$4.5 billion, if it materializes.

Could the present government or some succeeding government that would be elected some months hence simply ignore this bill and move on? My answer is, yes, they could.

**Hon. Terry M. Mercer:** Honourable senators, Senator Murray is talking about breaking the Department of Finance into different components. It is my experience in government that every time government departments are broken up, new departments and bureaucracies are spawned and new ministries are developed. Is Senator Murray proposing larger government?

**Senator Murray:** Not necessarily, honourable senators. My friend has been witness, as have I, to quite a few of those reorganizations. Some of them, such as the merger of the departments of trade and external affairs in 1983, have been undone some years later. When I first came here, there was a department of citizenship and immigration. In the intervening years, I do not know how many iterations there have been of that. There has been manpower and immigration, employment and immigration, and so on. Within the past year or so, the Department of Citizenship and Immigration has been recreated.

The Department of Finance could be broken up without necessarily expanding the overall federal bureaucracy, and it would be good to have it broken up into several parts with several specialties. We would have a better system of checks and balances within the general area of financial and fiscal policy, rather than one behemoth such as the present Department of Finance is with a disproportionate influence on public policy. I would like to see serious consideration given to that by some of the professors I have named. In any case, perhaps it is something that the Standing Senate Committee on National Finance might like to look into in due course.

**Hon. Mira Spivak:** Honourable senators, not being quite as iconoclastic as Senator Murray — and I use that word very advisedly, as it means to shatter icons — I will support this bill, but I will do so with grave reservations.

• (1520)

All budget speeches, and all budget bills, are political instruments. This bill, however, is exceptionally so in its origin, a minority government's lifeline; its brevity, approximately 400 words, and its vagueness, both in the conditions it sets down for spending only surpluses in excess of \$2 billion, and its lack of detail on the spending of \$4.5 billion, about which you have heard very eloquent speeches.

The brevity of parliamentary inquiry in terms of this bill is also exceptional: Three committee meetings in a single day in the other place, two meetings in a single day by our own Standing Senate Committee on National Finance. It belies a statement from the first Liberal Red Book *Creating Opportunity*, which says:

Our governmental structure contains elaborate systems to hold Parliament accountable for the management of public monies, but no equivalent scrutiny for Parliament's management of the public environmental trust.

With this bill, those elaborate systems are breaking down, through no fault of the committees that are charged with inquiring into the government's spending plans. They cannot probe details of plans that do not exist. As Senator Kinsella said:

The dearth of detail means that we are being asked to approve discretionary spending in the amount of \$4.5 billion, with only a general idea of the broad areas to which the additional spending is supposed to be devoted.

Rather than a plan, we have a pledge from the government that says, essentially, "If we overtax by \$8.5 billion, we will give \$4.5 billion to worthy causes, the environment, education, affordable housing and foreign aid." There is little doubt that they will overtax. Last year, for example, they initially announced a modest surplus of \$1.9 billion. That swelled to \$14 billion by budget time, and then to \$19 billion, according to the Minister of Finance's own fiscal performance review. I do not know if "overtax" is the right word, but you get my drift.

Of the \$900 million to be spent on the environment, there is little that we know. Here is the little that we know: The bill tells us that the spending will include public transit and energy efficient retrofits for low-income housing. The Minister of the Environment describes it as "the icing on the cake" of Bill C-43, which he suggests is the greenest budget since Confederation. That leaves it to the Minister of State for Infrastructure to claim \$800 million for public transit, and to suggest that it is money that cities and communities across Canada are now counting on, in addition to the money from the gas tax.

In effect, this bill says: If we take too much in taxes, we will give some of it to the provinces so that they can give it to the cities, so that they can decide how to spend it on public transit. Or it may flow directly to the municipalities, as our committee was told — fiscal imbalance writ large.

There is another, better way, as that very first Red Book articulated. It said:

...although Canada promises to fight climate change, federal policies and funding continue to favour private transportation over public transit, and energy use over energy conservation.

The first Red Book solution? Here it is:

A Liberal government will establish a framework in which environmental and economic policy signals point the same way. Our first task will be to conduct a comprehensive baseline study of federal taxes, grants and subsidies in order to identify barriers and disincentives to sound environmental practices.

In the budget plan that laid out the measures in the companion bill, Bill C-43, we now have, 12 years later, *A Framework for Evaluation of Environmental Tax Proposals*. It was released for discussion purposes and has drawn surprisingly little attention. Perhaps it is not surprising. The government is at least 25 years behind the thinking and actions of governments in many other countries on this issue. It is way behind the thinking of academics and institutions, such as the National Roundtable on the Environment and Economy, a government appointed body. It has long ignored the pleadings of such "special interest groups" as the Federation of Canadian Municipalities, Transport 2000 and the Green Budget Coalition.

Consider one example: For more than a decade, those groups called for a simple change to federal tax policy that would put public transit on an equal footing with cars. It would give employers a tax deduction when they give employees public transit passes, just as employers can now deduct the cost of company cars and trucks and give tax-free parking to employees. A 2001 study by Transport Concepts showed a tax exemption for transit passes would cost the government up to \$12 million in the first year, rising to \$150 million by 2010. The resulting reduction in road repairs, congestion and environmental costs could yield, they said, a net economic benefit of \$188 million annually.

This is just one example of a whole range of economic instruments, some of which were suggested in our Environment Committee report, instruments such as tax shifting, incentives, or the removal of subsidies that the government could have been using and could still use to better the environment. It could also look at rebates, fee-bates, demand-side management and liability instruments — powerful instruments within the grasp of the federal government. Instead, we have a government locked into other policies.

This bill tells us that there is no longer a shortage of money with which to address some of our major environmental problems, but there is an attention deficit and a reluctance to use the tools at the government's disposal. On economic instruments for environmental solutions, the government is the caboose on the freight train of progress.

In any event, the Minister of the Environment has noted that Canada is the sole G8 country, and one of the few OECD countries, that does not have a national policy for urban transit. He might also have noted that the OECD has said that Canada needs to increase the use of economic instruments to reinforce the polluter-pays principle. One can only hope that the framework released in the budget plan is a kick-start in that direction.

The first Liberal Red Book that I cited earlier made another sage observation and implied pledge. I must remind honourable senators that Paul Martin was one of the co-authors. At least, I believe he was.

We want to promote, not hinder, the research, development, and implementation of clean and energy-efficient technologies; renewable energy use; the sustainable management of renewable resources; and the protection of biological diversity.

In essence, science and engineering for the long-term environmental benefit; science and engineering in the public interest. I raise this because, once again, Canada's senior-most scientists are blowing the whistle on our national research strategy that they say rewards those with the strongest business ties, among them John Polanyi, the Nobel Prize winner. Their rebuke of the government's co-funding policy, which requires matching grants from other sources, was published in the prestigious international journal *Science*. They wrote:

By eschewing scientific excellence as the primary consideration, co-funded programs imperil scientific credibility.

What sparked this renewed outcry from 40 scientists working at Canada's top research universities was the most recent national competition for Genome Canada funding. Some 30 of the 120 funding proposals were culled without any review at all. Of the remainder, almost one-third were eliminated by a panel of accountants, "based on ambiguous financial criteria and without any consideration of scientific merit." Perceived financial suitability of the co-funding source appears to be the prime criteria. That is putting it politely.

• (1530)

I have been raising this matter for a long time, since John Polanyi, the University of Toronto Nobel laureate chemist in 1999, expressed the fear that the federal emphasis on commercialization of research could give industry a stranglehold, and David Schindler, Canada's pre-eminent limnologist — a water scientist — told how he and others were locked out of federal research funds by the policy that came into effect in 1997. It meant that scientists could no longer do applied research solely in the public interest.

Many years ago, it was deficit-reduction and the attendant cutbacks in research funding that drove many of our best minds from Canada. As the Budget Plan notes and our top researchers acknowledge, the government has made a substantial investment in recent years to restore those funds. By fiscal year ending 2007, the increased funding for university-based research will reach a nine-year cumulative total of more than \$11 billion. Budget 2005 gives an additional \$810 million this year and for the next five years. How much of that will be allocated to science in the public interest? That is the \$4 billion question.

The first Liberal Red Book of 1993 did get it right on many of the environmental fronts. Ironically, the passages I cited were directly under the heading "Keeping Canada's Promises." With this bill and Bill C-43, the Red Book promises of 12 years ago are still not met.

The stated ends of this bill, namely, additional funds for environment, education, affordable housing and foreign aid, are laudable. Are the ways and means the wisest? I would hope that once officials have devised their plans, they will return to the parliamentary committees for scrutiny. I hope they will not simply give Parliament a *post facto* view through the supplementary estimates, and I would hope that in formulating these plans, they would keep in mind some of the alternatives that I have mentioned.

**Hon. Michael A. Meighen:** Honourable senators, I am pleased to join third reading debate on Bill C-48, which, as all honourable senators know, is entitled “An Act to authorize the Minister of Finance to make certain payments.” It is better known to most Canadians, of course, as the “NDP budget bill,” or the bill that made Jack Layton the real finance minister of this country.

I had originally intended to speak at second reading but hoped that through the committee hearings on the bill most of my concerns would have been addressed. Surprise, surprise, they were not. In fact, after reviewing the committee hearings, I am even more concerned.

Many of the issues have been dealt with very ably, I might say, in the speeches of my colleagues, Senators Tkachuk, Oliver, Stratton and Murray.

I was interested in the remarks of Senator Spivak, as I always am, although I wish she had not removed the suspense. If one had listened to her speech, one would have laid almost any money on the fact that she would have voted vociferously against this bill, but she gave away the secret before launching into her speech. We all knew that notwithstanding her impeccable logic, she would vote for the bill, or so she says, but there is still hope. Perhaps I can change her mind.

[Translation]

This is a rather extraordinary bill because in only two little pages, it authorizes expenditures of nearly \$4.5 billion. That works out to an average of \$2.25 billion per page.

The Liberals and the New Democrats from the other place unabashedly declared that this was a legitimate bill. Furthermore, the Parliamentary Secretary to the Minister of Finance and the Auditor General of Canada defended this bill before the Standing Senate Committee on National Finance, describing it as an appropriate and predictable way to allocate budgetary surpluses.

At one time — apparently this is no longer the case — a distinction was made between budgets and budget bills and other parliamentary or legislative duties by basing the expenditures on the estimates. At one time, budgets were drawn up in secret, and the Minister of Finance resigned if even the tiniest budget detail was leaked.

[English]

Budgets were based on months of financial calculations, arrived at by the gnomes, soon to be divided, in finance, working overtime on their advocacy to determine the financial room available to the government.

New shoes were traditionally acquired by the Minister of Finance to present the budget, and of course, silly me, there was a time when the Minister of Finance was actually consulted or, perhaps, even in the room when a budget was prepared. However, evidence before our Senate committee indicated that the government's witness, the Parliamentary Secretary to the Minister of Finance, was not even consulted until the deal was done.

On all of these fronts, the coalition between the NDP and the Liberals has broken new ground. The myriad budget documents that accompany the presentation of this budget and budget bills were missing because they were non-existent. It is hard in the other place to table the napkin on which the budget was evidently developed. A request was made for it before our committee, but, surprise, surprise, nothing was forthcoming.

Budget secrecy sort of disappeared over time with Mr. Martin's budget trial balloons. Even that was eclipsed here as the details of this budget were negotiated in public by the Leader of the New Democratic Party and by the Prime Minister.

The financial data on which this budget was based is also difficult to discern. In February, when what we will call the “real budget” was presented, we were told that it represented the government's financial priorities, priorities that had been developed with great care, thought and consideration, and that these priorities could not, under any circumstances, be changed. In fact, it was the Minister of Finance himself who stated:

You can't, after the fact, begin to cherry pick: “We'll throw that out and we'll put that in, we'll stir this around and mix it all up again.” That's not the way you maintain a coherent fiscal framework.

If you engage in that exercise, it is an absolute, sure formula for the creation of a deficit.

This might lead one to believe that budgets are difficult to change once they are presented. In fact, after presentation of the first budget in February, we on this side asked for military spending to be front-end loaded so that matters of pressing concern could be addressed. We were rebuffed. We were told the budget established spending priorities and no money was left to either change or adjust the government's priorities. That was the government's story when the Minister of Finance was in control. As we know, that control evaporated in the Prime Minister's game of survival. Not to put too fine a point on it, but I guess the finance minister was the first one voted off the NDP-Liberal budgetary island.

Without the involvement of the finance minister, and unburdened by the tried and true traditions and conventions of former budgets, Mr. Layton went to work with the Prime Minister to readjust the priorities of this government to reflect the new priorities of this government, as distorted by the NDP.

All of this exercise produced the rather remarkable piece of legislation that is before us today. It is remarkable on a number of fronts. It is remarkable for the priorities it leaves out: farmers, seniors, forestry workers, fishermen, corporations which create the jobs that drive the economy and Canada's Armed Forces. Of the \$4.5 billion which were magically found, that money could have been used to revamp the funding for Canada's Armed Forces. This is not a bill or a budget that represents the priorities of a broad cross-section of Canadians. The matters put in and the matters left out all signal that a desperate government was prepared to change its own budget and its own priorities, to threaten balanced budgets in the future and to abandon its claim to sound, fiscal management, all for the votes. That is the sole motivating reason.

• (1540)

This bill is remarkable for more than its drafting and priorities. It is truly remarkable for the framework it establishes for future spending. Money will only flow under this budget bill if the surplus remains above \$2 billion. This revelation by the Parliamentary Secretary to the finance minister in our finance committee, as well as his candid comments that the money, if it ever flowed, would not be before the end of the next fiscal year, 2006, seems to have caught our friends in the NDP off guard. All of this, of course, makes for interesting political theatre.

Will the NDP, now realizing how deceived they were, back away from their relentless support of this government, or will their leader decide he has a new set of priorities which he can sell to the Liberals so that both parties can avoid an election? Honourable senators, is this not what Bill C-48 is all about, avoiding judgment by Canadian people? There are no details as to what plans have been developed or will be developed for the disbursement of these funds. All we have are those four vague categories: education, housing, environment and foreign aid.

The best part of all this, or perhaps the worst, depending on your perspective, is that it will be up to cabinet by Order-in-Council to determine the purposes for these payments. Canadians will have no idea of the specific matters on which this money is to be spent until cabinet decides. In other words, there is no budgetary plan. In some instances, money will flow to departments or agencies that the Auditor General has criticized for their ineffectiveness and inefficiency in the delivery of existing programs.

We in the Senate have just presented a detailed and widely applauded report on improving productivity in Canada. Some of the main features of that report are tax cuts and methods to encourage investment in innovation in Canada. There is nothing in this bill that will improve our competitiveness or productivity as a nation. The deal expressly provoked corporate tax cuts which were part of the February budgets and contained in the first draft of Bill C-43. We are told that they will be reintroduced at a later date but, again, who knows for sure? I guess we will have to wait until we have word from the finance minister, whoever that may be at that time.

Honourable senators, this bill establishes dangerous precedents. At our finance committee, Stanley Hartt cautioned the government about committing tomorrow's surpluses to today's priorities. He explained that usually surpluses are allocated to debt or divided equally among the debt, enhancing existing programs and creating new programs. He explained that since Bill C-48 was conceived, we have had a Supreme Court decision dealing with the urgency to address health-care waiting lists in this country. He asked: Should wait times not be a priority for surplus allocation?

Much time was spent in committee by witnesses who explained that Parliament had, through this bill, abdicated its hard-fought control over government spending. There will be no opportunity for Parliament to review programs established under this bill and the resources allocated until after the money is spent. Again Mr. Hartt pointed out:

First, senators should be alarmed at the precedent that Bill C-48 sets for the manner in which legislators are invited to use or, in this case, I think, fail to use, the traditional power of Parliament to control public spending. Those powers were hard-won. We did not shed any blood in this country over this control, but our forbears in Britain, whose parliamentary system we inherited, did. The supremacy of Parliament on spending matters is a very valuable tradition; we should not be casual about this tradition.

I take it from Senator Murray's remarks that he agrees with that sentiment.

I agree that power and authority, which were once the hallmark of parliamentary democracy, should not be so lightly set aside. In addition, honourable senators, this bill gives cabinet the power to establish corporations or foundations into which money from this bill would flow. Then these bodies, far from the light that can be shone on government spending by Parliament, would develop programs, set priorities, and kick the money out the door. This sounds eerily like what happened to initiate the Adscam scandal: money allocation to a small group of unaccountable government supporters deciding on how taxpayers' money should be spent.

Honourable senators, this bill represents the triumph of crass political survival over sound fiscal policy. Imagine a spending authorizing bill that sets no objectives and no goals, except to spend the money. The bill even runs against the government's vaunted expenditure review process designed, so they say, to save taxpayers' money. We really have here \$4.5 billion of pre-authorized contingent spending thrown together in a two-page bill to save the life of the Liberal government. That is what the rush was all about, as Senator Murray well knows. That was the reason for Bill C-48.

[Translation]

Honourable senators, we can all count and we all know that this bill will become law. My only hope, which is shared by all Conservative senators, is that history will not repeat itself the next time Mr. Layton and the Prime Minister sit down together to spend the taxpayers' money.

[English]

Honourable senators, this is not a piece of legislation that deserves our support. The precedents are simply too troubling to ignore. These new practices cannot be encouraged by this chamber and by anybody concerned with the health of our parliamentary system. We should send it back, as Senator Murray suggested, to the other place, for, after all, as he too suggested, there is no great rush. The money will not flow, if it ever does, until the fall of 2006. In the interests of good government in this country, I cannot for the life of me see how this bill could commend support from any honourable senator, and certainly I cannot support it.

**Some Hon. Senators:** Hear, hear!

[ Senator Meighen ]



**An Hon. Senator:** Question!

**Hon. Gerald J. Comeau:** Honourable senators, I did not attend the committee meetings that were held last week. I wish I had, but judging from what I have heard from some of our colleagues today, I get the flavour of what happened at committee. I do not think anything that happened in committee would change our minds.

I was not sure how to approach the bill. I had a chance to listen to Senator Tkachuk's speech at second reading in which he described foreign governments' attempts to promote fiscal accountability in their various countries, and how parliamentarians in these countries could look to other countries for guidance.

Senator Tkachuk referred to the countries that were looking for increased accountability, and they were Pakistan, Africa and Kazakhstan. This led me to reflect on how others might perceive the political culture in Canada regarding the current government's approach to spending, social programs and economic policies.

Those who have travelled abroad on parliamentary delegations will be aware that delegates are usually given a briefing by foreign affairs officials prior to visiting the country of destination. This is to familiarize them with the political, social and fiscal culture of the country to be visited so they do not embarrass themselves when they visit those countries. One can imagine how the foreign experts of Kazakhstan might brief their parliamentarians for a planned visit to Canada. It might go something like this. We can picture the foreign affairs official advising his Kazakhstan parliamentarians. They would be told that the Prime Minister of Canada is a well-known rock star groupie. In fact, he invited the Irish rock star Bono as the main speaker at his installation as party leader to set the tone for Canada's foreign aid policy. This was the installation of the seven Spanish angels. Delegates might consider reading the lyrics of Bono's songs to determine Canada's foreign policy. However, it should be noted that the Liberals cut \$9 billion from the foreign aid budget, bringing our foreign aid spending to levels that have not been seen since 1965.

In spite of Paul Martin's cuts to foreign aid, it should be noted that Bono, the great friend of the Prime Minister, still thinks that Martin has a great butt. I am not making this up. This was in the newspapers, by the way.

In the mid-1990s, the Liberal government made massive cuts to Canada's health care system, resulting in exceptionally long waiting lines. In a recent opinion, the Supreme Court determined that people were suffering and dying due to wait times for medical procedures. As a result, the Supreme Court issued a ruling upholding the right to private medicine.

The Prime Minister's response that there would be no two-tier health care would indicate that he is prepared to disregard the court's ruling on this issue of an individual's right to medical care, but yet has simultaneously been legislating same-sex marriage as a

Charter right. As he said, a right is a right and is not subject to cherry picking. On the one hand, he supports fully the right to same-sex marriage, but on the other hand, he does not support the right to having access to proper medical care.

Yes, delegates from Kazakhstan, you have heard me correctly, the Prime Minister decides to cherry pick rights as he sees fit.

• (1550)

On this subject, delegates to Canada should be aware that after the Supreme Court ruling on access to private medical care, the federal Minister of Health told the Canadian Medical Association to butt out of the health care debate.

On the national defence front, the Liberal government made massive cuts to the military in the mid-1990s. It is so bad that, recently, soldiers testing their fighting skills in an urban exercise had to rent local commercial paintball equipment because they could not get the proper army gear. Senator Forrestall is aware of this story. It was quite prominent in some of our Atlantic Canadian newspapers.

On the issue of loyalty, the Prime Minister had the predisposition to ignore loyal, long-serving party members in favour of plucking members from the other parties and placing them directly into cabinet. Delegates from Kazakhstan might meet some of them in their trip to Canada. Those would be Stronach, Dosanjh and Brison. It has been said that the ruling party has a welcome mat with lots of nice fluffy fur for newcomers, while long-serving party members stay in the background.

The Prime Minister likes to talk about eliminating the deficit and free votes on issues of principle. However, he recently fired a cabinet minister who voted according to the wishes of his constituents on the issue of same-sex marriage.

Senators who visit Quebec will want to know that the most successful reality television show in the province in the past few months was an inquiry into Liberal corruption, kickbacks and the waste of hundreds of millions of taxpayers' dollars for which no one yet wants to take any responsibility. Senators should also be aware that government lawyers have asked the inquiry commissioner to exonerate the current and former Prime Ministers for any wrongdoing in the scandal.

For those who might want to secure a work visa for Canada, be sure to volunteer for the Minister of Immigration during an election campaign or consider getting a job as a stripper.

On the social front, the federal government is trying to put together a national daycare system. The file is being handled by an old White guy — with apologies to all old White guys in this chamber, which I happen to be — who has no idea what the program will cost. The program will benefit only those who choose to leave their children in the care of government-approved providers. Parents are not considered qualified for the job. Furthermore, there is no provision for rural regions where such schemes are not practical.

The Senate is currently debating a \$4.5 billion budget prepared by the socialist party and a high profile union leader on the back of a hotel napkin. This is a two-page document, a blank cheque which authorizes the cabinet to spend on the environment, training programs and housing for Aboriginals and increased foreign aid spending.

**An Hon. Senator:** That could be —

**Senator Comeau:** The great orator from the back row has decided to add his two cents. I hope we will hear his speech later.

**Senator Kinsella:** That is the new foghorn from Atlantic Canada.

**Senator Comeau:** Yes, the new foghorn from Atlantic Canada, replacing all the lighthouses that Senator Forrestall wanted to save.

**An Hon. Senator:** Do you want to do the speech?

**Senator Mercer:** Not that one!

**Senator Comeau:** Similar to daycare and the Adscam file in Quebec, the HRDC boondoggle and firearms legislation, there is no plan and no measurable objective, simply a blank cheque. The finance minister's credibility took a direct hit in this back room deal. Senator Tkachuk will be quite aware that this is a man who traded on his integrity and his great province. This gentleman was left out of the budget preparation package, which has probably damaged his reputation for the rest of his career. What an end to a career.

The government measures its performance by the amount of money it spends, yet imagine if it planned and prioritized spending? The Firearm Registry's \$2 billion price tag could well have been measured against other worthwhile initiatives.

**Senator LeBreton:** Like MRIs.

**Senator Comeau:** Yes, like MRIs, for example, and programs to combat the root cause of violence or drug abuse, to stop family violence, to stop social housing, to reduce long medical care wait lines, and the list goes on.

Yesterday, I mentioned that the government had laid off one of the finest and most respected fisheries researchers in Newfoundland, Professor George Rose. He is most renowned in Atlantic Canada for his research on the future of the northern cod. He was laid off to save a few bucks. This is the kind of spending priority we see from this government.

I am still giving a briefing to the Kazakhstan parliamentarians, so I should not be going off track like this.

**Senator LeBreton:** They probably left for home by now.

**Senator Comeau:** On the environment, the government has rejected targeting smog and real pollutants in favour of buying hot air credits from countries with far worse environmental records than Canada. It is interesting to note the comments of the leading heads of the business community on the issue of Canada's economy. They point to what they refer to as "disturbing signals." To use a phrase that Senator Murray might use, I think it is an

abomination, but perhaps that word is a little too strong. The business community talks about run-away growth in public spending, a tax structure that is biased against investment, a fragmented, costly and overly complex regulatory structure, lagging productivity, a poor record of attracting foreign investment, declining levels of public trust in both government and business, and a need for focused leadership — in political terms, a nation adrift. There is a need to look beyond reactionary policies and short-term thinking.

The current government has benefited from the initiatives of the previous governments on such items as free trade, NAFTA, the GST and deregulation. All the initiatives that they had promised to rip up and do away with, they decided to keep — probably with good results as well. They eliminated the deficit by gutting the military, medicare and by cutting spending on the environment and fisheries. In addition, they are receiving massive revenues from EI premiums and uncompetitive personal income tax rates. It is no wonder that public trust is at an all-time low, and this bill adds to it.

As parliamentarians, we would suggest that the parliamentarians of Kazakhstan might wish to look to Canada's current government as a lesson in how not to govern. Kazakh parliamentarians know that only budgets with plans and priorities that have been properly evaluated and accounted for should be the norm. Thus, I would suggest to the people of Kazakhstan that they might wish to look elsewhere for a model of government accountability.

**Some Hon. Senators:** Hear, hear!

**Hon. Noël A. Kinsella (Leader of the Opposition):** Honourable senators, I join with other senators in agreeing with what Senator Comeau has just said, and I want to share something with him.

The other day, I was looking at the website of the Government of Canada when I came across a definition of the "federal budget."

The federal budget is a statement of planned revenues and spending for a fiscal year that sets out priorities for government programs.

Clearly, based on what Senator Comeau and others have said thus far, this bill fails to meet the definition of the government on all accounts. First, it deals with unplanned revenues. The definition on the website says that "the federal budget is a statement of planned revenues." Second, the spending it purports to allocate will actually fall within the next fiscal year. Finally, this bill talks about spending that might be allocated. If I were a member of the NDP, I would keep my wish bones intact, my horseshoes well polished and my fingers continually crossed. That spending will clearly not occur in the near future and probably will not occur at all.

• (1600)

Finally, the bill does not set out any priorities for government programs, notwithstanding its enumeration of a few general areas. Indeed, honourable senators, if this excuse for spending legislation is to be accepted, a future budget bill presented by this

government with their allies now might simply replicate the wording contained herein by substituting the amount of \$178 billion and adding to the list of various expenditures.

As has been clearly indicated in the debate so far, the underlying flaw to which the attention of all honourable senators has been drawn is the complete absence of detail in the bill. Simply because it is possible to draft a bill in this manner does not make it proper. How can Parliament fulfil its constitutional role if there is no information on which to make an informed decision?

I like the advice given by Senator Murray, that this chamber should not accept this budget but should send it back and that a proper one should be brought forward, but this chamber unfortunately is not doing the kinds of things that the Fathers of Confederation had intended for it. Some have harkened back to the days before the advent of responsible government, when the nobility of England and Europe imposed taxes on their people more or less as they thought fit, often without a great deal of planning beyond the hope and intention that the funds would more than meet all of the expenses and allow the nobility, and this is almost a tautology, to live like kings. Any surplus money raised could readily be squandered, and often was, because there was no one to gainsay what was being done.

The whole institution of Parliament is supposed to have put a change to that model. A parliamentary system that is predicated on the power of the purse is one that keeps the country free and operating as a parliamentary democracy, but there is a condition to that, and that is that the two chambers of the bicameral Parliament take their jobs and responsibilities seriously. When presented with something like this, as Senator Murray correctly pointed out, we should reject it and send it back so the government can bring something forward that is more in keeping with the government's own definition as to what constitutes a federal budget.

It is the ability of Parliament, it is the ability of this chamber, to demand that proper explanations of proposed expenditures be provided in advance, and to be able to effectively question whether value for money is being obtained. That is the hallmark of accountable government. By failing to provide the kind of detailed information required for effective decision-making, the government is asking us, as a branch of Parliament, to relinquish our role as guardian of the public purse and simply turn that task over to the bureaucracy and the good graces of the government.

This view conforms to the testimony of the Comptroller General of Canada before our National Finance Committee, as has been alluded to in this debate.. His concern, of course, was focused almost entirely on whether or not there might be appropriate controls, should Parliament approve the bill, not on whether or not approval itself was appropriate.

It is interesting to note that the June 1, 2004, news release announcing his appointment indicated that one of his functions would be to "review and sign off on policy proposals to ensure that expenditure plans are sound." I doubt that the Comptroller

General could sign off on the proposal as it now stands before us at this time. His testimony made it clear that he would be relying on subsequent details as to how the money might be spent and that those plans would receive an appropriate review.

It is not clear why Parliament is being cut out of the process and why we in this chamber and our colleagues in the other place are to be denied an opportunity to assess the proposals before hand rather than *ex post facto*. Honourable senators will recall the ongoing inquiry of Commissioner Gomery into spending, which theoretically was well considered, properly assessed and appropriately delivered through civil service mechanisms. Are we now to wait to see whether a significant proportion of the proposed spending on affordable housing will be devoted to providing every Liberal and NDP riding president with a new house valued at not less than \$1 million? I think that it is clear that this is not a plan being contemplated by the government, but the dearth of information supplied in relation to the bill leaves the door open. Why would you want to expose yourselves? It leaves the door open to throwing money at almost any project within the scope of government operations. There is no check, and there is no balance.

When an early summer election was in the wind this spring, the government ministers went out in a virtual orgy of spending announcements, leaving the shelves barren. Bill C-48, with its complete absence of controls, direction or planning is perhaps no more than a restocking of the larder to enable ministers to embark on a new series of announcements in January.

Honourable senators, no doubt there are many existing worthwhile projects and programs that could benefit from an infusion of additional money. By way of example, I draw the attention of honourable senators to one particular project in my own province of New Brunswick, namely the refurbishment of the Point Lepreau generating station. Constructed in 1985 with federal assistance, Point Lepreau has one CANDU 6 nuclear reactor capable of generating 635-megawatts of electricity. It currently supplies about 30 per cent of the electricity consumed by the province. The Point Lepreau facility has the first CANDU 6 licensed for operation in Canada. Given relatively stable fuel costs, the plant is able to provide a reliable supply of economical electricity. Refurbishing the reactor will extend the station's life to the year 2032.

Unfortunately, refurbishing a nuclear reactor is very expensive, so much so that it might actually be more economical in the short-term to pay the costs of decommissioning the reactor and building a new power plant that burns either coal or natural gas. Needless to say, taking that option would run counter to the federal government's Kyoto commitment to reduce greenhouse gas production in Canada.

In this context, I note that there were months of hints by various Liberal parliamentarians that the federal government would participate financially in refurbishing the Point Lepreau generating facility. When an election appeared to be in the offing, the Prime Minister was quoted by the Saint John *Telegraph-Journal* as saying, "I do not want to preclude any discussions, but I think there are many options. I think what we have got to do is

to look at what is the right option and then move with it.” Apparently the right option for the federal Liberal government is simply to stand aside and leave it entirely to the Province of New Brunswick to bear the full cost.

While energy falls within the jurisdiction of provincial governments, that has not prevented the federal government from exercising its influence in the past. It was just two weeks ago that the federal government announced funding to help build ethanol plants in Alberta, Ontario and Manitoba. There has been federal assistance for the oil sands plants and, of course, there was the initial federal assistance for building the Point Lepreau nuclear reactor in the first place, as alluded to earlier this afternoon by Senator Murray.

• (1610)

Federal assistance appears to be available for energy projects of all kinds across the country. New Brunswick should not accept the lame excuses being proffered. This is a significant issue for the entire province of New Brunswick and has been the subject of ongoing discussions. The fact that the federal government unilaterally decided not to participate, and did not even have the common courtesy to directly inform the provincial government of that decision, is not at issue.

What is important is that this bill allocates a large quantity of money without specifying what programs or projects should be supported. It is clear that the refurbishing of the Point Lepreau Nuclear Generating Station is an important project to New Brunswick, and that doing so will help keep greenhouse gas emissions down, a matter on which the federal government has given a clear commitment.

Although I am sure there are many worthwhile programs and projects that Canadians might also support, rather than leave it to the government and the bureaucracy to make that choice, I propose that Parliament take that decision directly and that an allocation be made for this worthwhile project.

#### MOTION IN AMENDMENT

**Hon. Noël A. Kinsella (Leader of the Opposition):** Accordingly, I move, seconded by the Honourable Senator Comeau:

That Bill C-48 be not now read a third time but that it be amended in clause 2, by replacing lines 29 to 32 on page 1, with the following:

“(a) an amount not exceeding \$900 million, for the environment, including

(i) a sum of six hundred and fifty million dollars for public transit and for an energy-efficient retrofit program for low-income housing, and

(ii) a sum of two hundred and fifty million dollars for the purpose of providing funding towards the refurbishment of the Point Lepreau nuclear generation station.”

**The Hon. the Speaker:** Are there senators who wish to speak to the motion in amendment?

**Hon. Jack Austin (Leader of the Government):** Honourable senators, I thank senators opposite for their arguments, which are, understandably, based on parliamentary concerns. I would like to address a comment to Senator Murray. In the definition of “abomination,” would the honourable senator agree that the defeat of a minority government would be an abomination? I recall, of course, an event in the past with which Senator Murray was associated.

Honourable senators, the government has been clear. In Bill C-48, we are dealing with a parliamentary arrangement between the government and the New Democratic Party. The government presented its budgetary Bill C-43, which passed Parliament. The arrangement with the New Democratic Party was in accord with the federal government’s priorities. Senators have heard repeatedly the four priority categories contained in Bill C-48. In his excellent and specific address at second reading and at third reading, as well as his comments on the testimony and questions in the Standing Senate Committee on National Finance, Senator Eggleton covered those topics, so I will not repeat them.

It has to be understood that the political arrangement is in accordance with the government’s overall priorities that were set out well before Bill C-48 was tabled in the House of Commons. They were set out in the Speech from the Throne, in specific government programs and in the objectives of Bill C-43.

The New Democratic Party thought that, while the program areas were the correct areas, the government had additional funds that could be invested in these program areas. It asked the government, clearly and specifically, to enhance the spending in those four program areas. Thereby, an agreement was concluded, honourable senators, on terms that the government had laid down for managing the financial affairs of this country. The government has said repeatedly that it is fundamentally committed to not running a deficit again. We have had eight surplus budgets, which, of course, the Conservative Party has never been able to experience, but I will come back to that point later.

Honourable senators, the world admires the management of the Canadian economy. The government is the best economic manager of any G8 country. That is the record of the Liberal government. Today, Canada’s economy inspires confidence. Canadians are investing and the government is creating jobs and advancing the interests of individual Canadians.

Bill C-48 will advance those interests but on conditions that have been laid down by the Liberal government. Honourable senators are aware of the key condition: that in fiscal 2005-06 and in fiscal 2006-07, there be a minimum of \$2 billion surplus funds from which payments can be made to the programs contained in Bill C-48. As I said in response to questions from Senator Oliver a few days ago, it cannot be a matter of confusion because the government has made the point repeatedly. Someone who is confused about when the government is prepared to begin spending wants to be confused.

Honourable senators, the New Democratic Party may well want to see funds spent in this fiscal year. It would be to their political advantage if they could claim that certain monies were spent by the Government of Canada because the NDP had arranged it. The Minister of Finance has always had that discretion. However, there is no basis for acting upon that discretion unless it is clear that the economy continue to perform as it has been performing, that the analytical data demonstrate that the surplus will be earned this fiscal year and under no threat of being reversed.

• (1620)

Let me come back to the issue that all of the Conservative senators have dealt with, and that is the question of accountability and transparency. Of course, these are highly desirable public policy objectives.

It has to be understood, honourable senators, and it has not been explained here in the way I would like to now explain it, that it is a new experience for the Conservative Party to try to get its mind around a surplus, and how to deal with a surplus. The old rule was if you had a surplus at the end of a fiscal year, it went fully to pay down debt. You will recall Senator Eggleton mentioning in his contribution that Canada proceeded from a GDP-to-debt ratio of 70 per cent in 1993 down to the low 40s at this time. Our target, as Senator Eggleton has said, is a GDP ratio of 25 per cent.

**Senator Stratton:** If you did nothing, it would be achieved on its own.

**Senator Austin:** That is our target. If we mismanage, Senator Stratton, it will start going up again, just in the way that the Conservative Party mismanaged and made it go up double while Mr. Mulroney was Prime Minister.

Honourable senators, let me come to the point. We must develop new methodology to deal with allocating surpluses that we do not want to use to pay down debt. This bill, as the Comptroller General and the officials of the Department of Finance said, is a bill that moves out and stakes that new ground.

We are not saying that this is a perfect bill. We are not saying that every part of the proposal here is finely shaped and never needs review. What we are saying is that this is a bill for which Parliament will have every opportunity to hold the government to account. There is no question; whether it is pre-account or post-account, Parliament will have its say.

If government does not do what it needs to do and should do, then I am sure that senators on both sides will want to hold the government to account. In the meantime, let us not be panicked by the worst-case worriers from whom we have heard this afternoon who are not used to the kind of economic management that produces surpluses.

I want to turn now to the amendment that is proposed by Senator Kinsella. I have said in this chamber that I am sympathetic to the development of nuclear energy in Canada. I have long been a supporter of the CANDU program, and of nuclear energy as a bridge fuel between the carbon fuels that we are using and the future needs of our energy in Canada.

The Point Lepreau project was an experimental project. As has been said by Senator Murray and Senator Kinsella, the federal government encouraged New Brunswick to build this plant and to operate it. It has now reached the end of its natural operating life and needs to be refurbished.

Honourable senators, discussions have gone on in that context; and at this stage, those discussions are not proceeding to the satisfaction of New Brunswick. I can understand that. All of us can understand that.

Senator Kinsella has said — correctly — that the production of power in the province of New Brunswick and every other province is the responsibility of the province. I cannot imagine, for example, the Province of Quebec inviting the federal government into its policy and operating management. We have heard from that side repeatedly to respect the provincial jurisdiction.

Honourable senators, it is an issue that is ongoing and I hope, quite frankly, that there will be an effective resolution by negotiation. However, I have to say that that issue can have nothing to do with this bill. That is an issue that is off the agenda of Bill C-48.

We have here, as I said, an agreement between the Government of Canada, which is represented at the moment, thankfully, by the Liberal Party, and the New Democratic Party. This bill is the result of that agreement and it cannot be varied on the part of the Government of Canada without being seen to break faith with the New Democratic Party. Let us be clear: Any government that breaks its agreement loses its moral authority. That has been said, and it deserves to be repeated.

What I want to do, honourable senators, is to advise you of the view of the New Democratic Party as expressed in a letter sent by Jack Layton, MP, Toronto Danforth, Leader of the New Democratic Party of Canada, to the Prime Minister, under date of June 9, 2005.

**Senator Tkachuk:** “Thank you, thank you, thank you.”

**Senator Austin:** He said:

Dear Prime Minister,

Media accounts suggest the Federal Government is considering providing \$200 million to the Government of New Brunswick to help finance the \$1.4 billion refurbishment of the Point Lepreau Nuclear Power plant.

I urge you instead to direct all federal money being considered for New Brunswick's energy supply towards energy efficiency and green power development in New Brunswick. This would maximize the job creation potential in New Brunswick, keep energy costs down for New Brunswick and meet Canada's Kyoto obligations. As well, the focus on green power would help northern New Brunswick, which is suffering from 20 per cent unemployment due to, amongst other things, the closing of the fisheries, because Chaleur Bay has huge potential for generating wind energy.

A September 2002 decision by the New Brunswick Board of Commissioners of Public Utilities concluded that “the refurbishment of Point Lepreau, as outlined in the evidence, is not in the public interest” and recommended that New Brunswick Power not proceed with that refurbishment.

An April 2004 report commissioned by the New Brunswick Government noted the refurbishment would cost \$1.4 billion, not the \$935 million first predicted, and would generate 450 person years of work, while maintaining 600 to 700 permanent jobs. Should the federal government invest \$200 million, this would be equivalent to creating 63 person years of refurbishment work to maintain 600 to 700 jobs.

In contrast, the Atlantic Canada Energy Coalition has developed an alternative energy plan that produces the same 640 megawatts of power as Point Lepreau at a cost of \$630 million, or less than half the \$1.4 billion amount needed to refurbish Point Lepreau.

This alternative plan would likely create many more jobs for the people of New Brunswick. For example, the plan calls for developing 220 megawatts of wind energy at a cost of \$375 million. A 2001 Canadian Wind Energy Association report notes that every \$1 million invested in wind energy creates eight full-time equivalent jobs. Installing wind power alone would therefore create 3,000 new jobs, almost seven times as many jobs as the Point Lepreau refurbishment. (This is in line with international studies which show that per dollar invested, wind power creates five times as many jobs as nuclear power.)

The alternative plan also calls for \$140 million to be spent on energy efficiency and fuel switching. The International Council for Local Environmental Initiatives calculates that energy retrofit programs create at least 70 direct and indirect jobs for every \$1 million invested. A very modest \$10 million annual investment would therefore generate another 700 jobs per year, equal to the number of jobs at Point Lepreau. The advantage of energy retrofit jobs is that they are spread across the province in every community.

Not only is the alternative plan a greater job creator and cheaper than refurbishing Point Lepreau, it is by far environmentally superior. As you know, generating nuclear power creates highly radioactive byproducts which are expensive to handle and contain. A recent report by the Nuclear Waste Management Organization, *Choosing A Way Forward*, notes the cost of handling and containment to be at minimum \$24 billion.

• (1630)

In contrast, green power is a completely renewable resource that leaves no radioactive by-product and is therefore effectively pollution free.

I'm sure you will agree that investing \$200 million to create thousands of green jobs spread across all parts of New Brunswick providing energy efficient and green power is much wiser than investing \$200 million to create 63 jobs for a non-renewable power source that produces radioactive waste in just one part of New Brunswick.

And to make sure that this is a win-win for everyone living in New Brunswick, I'm sure you will also agree that a Just Transition fund for any affected energy workers and communities be part of the funding plan.

Green energy makes environmental and economic sense. That's why the Federal NDP has been advocating shifting federal government subsidies away from non-renewable energy sources towards renewable sources.

New Brunswick has incredible potential for energy efficiency and green power. The Atlantic Canada Energy Coalition has suggested how it can be realized.

If the Federal Government is serious about its Kyoto commitments and its commitment to job creation in hard hit areas like northern New Brunswick, then the time to act is now. Ensure all federal dollars go towards green energy and help the Province of New Brunswick move on to a path of sustainability and green job creation.

Regards,

Jack Layton, MP (Toronto—Danforth)  
Leader, New Democratic Party of Canada

**Senator St. Germain:** Deep down, you are NDP, too!

**Some Hon. Senators:** Hear, hear!

**Senator Austin:** I read the letter so that honourable senators would know the NDP position with respect to the Point Lepreau project. I do not accept that position on behalf of the government. At this time, we are proceeding on a different track with respect to Point Lepreau.

**Senator LeBreton:** Sounds like a lot of wind to me.

**Senator Austin:** The key point here is, to repeat the topic sentence: We have an agreement with the NDP, and the NDP will not agree to the refurbishment of Point Lepreau out of the \$4.5 billion. If the refurbishment is to take place, it will take place on another budget item.

Honourable senators, this is a good bill. It advances the targets of the Liberal government. We are happy to be associated with the New Democratic Party in advancing these targets, which Senator Eggleton —

**Some Hon. Senators:** Hear, hear!

**Some Hon. Senators:** More, more!

**The Hon. the Speaker:** Honourable senators, I ask for order. I am having difficulty determining whether it is Senator Austin speaking or another senator. Senator Austin has the floor and I would like to hear him, so I ask for order, please.

[ Senator Austin ]

**Senator Austin:** Thank you, Your Honour. I appreciate that you would like to hear me. I know there are some on the other side who would not, but that is their problem.

Honourable senators, Bill C-48 advances the Liberal government's policy objectives in the areas that Senator Eggleton has laid out. We are happy to be associated in these objectives with the New Democratic Party. I urge all honourable senators to recognize that Bill C-48 does advance the public interest very solidly, and we ask senators to support this bill.

**Some Hon. Senators:** Hear, hear!

**Senator Kinsella:** Would the Leader of the Government in the Senate kindly table the document signed by Mr. Layton?

**Senator Austin:** I have read the letter into the record, and I will be happy to table it as well.

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

**Hon. Senators:** Agreed.

**Some Hon. Senators:** Question!

**Hon. John G. Bryden:** Honourable senators, I rise to address the amendment of my colleague from New Brunswick. He happens to be the Leader of the Opposition, but he also happens to be a fellow New Brunswicker. Indeed, we both spent a long time in Fredericton.

I will address only the basis on which Senator Kinsella believed he could put forward this amendment. Fundamentally, electrical generation is a provincial responsibility. The Government of New Brunswick and Premier Lord have known for a number of years that the Point Lepreau nuclear plant will have to be decommissioned and shut down soon or refurbished. Either option will cost hundreds of millions of dollars. Many New Brunswickers wonder why the Lord government has waited at least three years to make a decision on the future of Point Lepreau.

During that time, New Brunswick Power, with the approval of Premier Lord, undertook a refit of the Colson Cove thermal plant that burns expensive oil in order to make it possible for that plant to burn a much cheaper ore emulsion fuel to be purchased from Venezuela. The rationale for this refit to burn cheaper Venezuelan fuel was to accrue the savings to undertake the Point Lepreau refurbishment. However, neither NB Power nor the Lord government got a signed contract with Venezuela, and the ore emulsion deal fell through. The botched deal, through continuing higher fuel costs, capital investments and legal fees, has cost the taxpayers of New Brunswick \$1.4 billion; coincidentally, the same amount required to pay for the Point Lepreau refurbishment.

It is interesting to note that the Lord government shut down a legislative committee mandated to review the ore emulsion scandal, and just last month Premier Lord ruled against extending the term of the New Brunswick Auditor General for a few months in order to allow him to complete his findings into the ore emulsion fiasco.

Honourable senators, Premier Lord has put himself in the bind he is publicly claiming to be in today. Due to this inept management, New Brunswickers have seen their power rates increase three times in a little over one year.

It is my understanding that Premier Lord first approached the Government of Canada in January of this year, and the government has had regular discussions in good faith on both sides with the New Brunswick government in an attempt to identify opportunities unique to the Point Lepreau situation that would not create a precedent for every other aging nuclear plant in Canada. Even so, it was not until May that any concrete proposal was put on the table by the Province of New Brunswick.

After giving the request careful consideration, the Government of Canada has concluded that there is nothing unique about the situation at Point Lepreau to set it apart from a number of other nuclear plants. It decided not to set a precedent in this area of provincial jurisdiction that could lead to billions of dollars of call on the federal treasury.

Although it should be mentioned that Atomic Energy of Canada Limited is prepared, within its mandate, to assist NB Power if the decision is made to refurbish Point Lepreau, it should also be mentioned that the Government of Canada is assisting New Brunswick directly through an additional \$326 million in equalization over the next two years and an additional \$73 million this year alone for health care.

• (1640)

The government is also positioned to deliver key investments in child care and gas tax rebates to municipalities. The government is also working with Regional Minister Andy Scott on a project entitled, "People Building New Brunswick, A Human Resource Strategy to Address New Brunswick's Declining Population."

In summary, honourable senators, if the refurbishment makes sense then the Lord government should make that decision and commence negotiations with Atomic Energy of Canada Limited and/or Bruce Power and others. The premier of New Brunswick and his cabinet must assume their responsibility for a secure energy future for our province and they should stop trying to lay the blame somewhere else, anywhere else.

**Senator LeBreton:** Honourable senators on the other side are also good at it.

**Senator Tkachuk:** That is what the honourable senator is doing.

**Senator Bryden:** If the refurbishing of Point Lepreau makes sense, if it is the right thing to do, then responsible government should get on with it.

**Some Hon. Senators:** Hear, hear!

**Some Hon. Senators:** Question!

**The Hon. the Speaker:** No senator rising, I ask honourable senators if they are ready for the question to be put on the amendment to Bill C-48 by Senator Kinsella?

**Some Hon. Senators:** Question!

**The Hon. the Speaker:** Those honourable senators in favour of the motion in amendment will please say “yea.”

**Some Hon. Senators:** Yea.

**The Hon. the Speaker:** Those honourable senators opposed to the motion in amendment will please say “nay.”

**Some Hon. Senators:** Nay.

**The Hon. the Speaker:** I believe the “nays” have it.

*And two honourable senators having risen:*

**The Hon. the Speaker:** Is there an agreement on the bell?

**Hon. Rose-Marie Losier-Cool:** Fifteen minutes.

**The Hon. the Speaker:** Is it agreed?

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** Order, please. The vote will take place at 4:55.

Call in the senators.

• (1700)

Motion in amendment negated on the following division:

#### YEAS THE HONOURABLE SENATORS

Atkins  
Cochrane  
Comeau  
Cools  
Di Nino  
Forrestall  
Keon  
Kinsella  
LeBreton

Meighen  
Murray  
Nancy Ruth  
Oliver  
Prud'homme  
St. Germain  
Stratton  
Tkachuk—17

#### NAYS THE HONOURABLE SENATORS

Adams  
Austin  
Bacon  
Baker  
Banks  
Biron  
Bryden  
Callbeck  
Chaput  
Christensen  
Cook  
Corbin  
Cordy

Losier-Cool  
Maheu  
Mahovlich  
Massicotte  
Mercer  
Merchant  
Milne  
Mitchell  
Moore  
Munson  
Pearson  
Peterson  
Phalen

Dallaire  
De Bané  
Downe  
Dyck  
Eggleton  
Fairbairn  
Fitzpatrick  
Furey  
Grafstein  
Harb  
Jaffer  
Lapointe

Pitfield  
Plamondon  
Poulin  
Poy  
Ringuette  
Rompkey  
Sibbeston  
Smith  
Tardif  
Trenholme Counsel  
Watt—49

#### ABSTENTIONS THE HONOURABLE SENATORS

Spivak—1

**The Hon. the Speaker:** We will now resume debate on the main motion.

**Some Hon. Senators:** Question!

**The Hon. the Speaker:** The question is being called. I will put the question.

It was moved by the Honourable Senator Eggleton, seconded by the Honourable Senator Jaffer, that this bill be read the third time.

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

**Some Hon. Senators:** Yea.

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

**Some Hon. Senators:** Nay.

**The Hon. the Speaker:** I believe the “yeas” have it.

*And two honourable senators having risen:*

**The Hon. the Speaker:** Call in the senators. Is there an agreement on the bell? Is it agreed that we vote now?

**Hon. Senators:** Agreed.

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

#### YEAS THE HONOURABLE SENATORS

Adams  
Austin  
Bacon  
Baker  
Banks  
Biron  
Bryden  
Callbeck  
Chaput  
Christensen

Maheu  
Mahovlich  
Massicotte  
Mercer  
Merchant  
Milne  
Mitchell  
Moore  
Munson  
Pearson



Cook  
Corbin  
Cordy  
Dallaire  
De Bané  
Downe  
Eggleton  
Fairbairn  
Fitzpatrick  
Furey  
Grafstein  
Harb  
Jaffer  
Lapointe  
Losier-Cool

Peterson  
Phalen  
Pitfield  
Plamondon  
Poulin  
Poy  
Prud'homme  
Ringuette  
Rompkey  
Sibbeston  
Smith  
Spivak  
Tardif  
Trenholme Counsell  
Watt—50

NAYS  
THE HONOURABLE SENATORS

Atkins  
Cochrane  
Comeau  
Cools  
Di Nino  
Forrestall  
Keon  
Kinsella

LeBreton  
Meighen  
Murray  
Nancy Ruth  
Oliver  
St. Germain  
Stratton  
Tkachuk—16

ABSTENTIONS  
THE HONOURABLE SENATORS

Dyck—1

MOTION FOR TIME ALLOCATION WITHDRAWN

On Motion No. 1:

That, pursuant to rule 39, not more than a further six hours of debate be allocated for the consideration of the third reading stage of Bill C-48, An Act to authorize the Minister of Finance to make certain payments;

That when debate comes to an end or when the time provided for the debate has expired, the Speaker shall interrupt, if required, any proceedings then before the Senate and put forthwith and successively every question necessary to dispose of the third reading stage of the said Bill; and

That any recorded vote or votes on the said question shall be taken in accordance with rule 39(4).

**Hon. Bill Rompkey (Deputy Leader of the Government):** Honourable senators, I would ask that this motion be withdrawn. It is obviously null and void.

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

**Hon. Senators:** Agreed.

Motion withdrawn.

**PERSONAL WATERCRAFT BILL**

THIRD READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Cochrane, seconded by the Honourable Senator Andreychuk, for the third reading of Bill S-12, concerning personal watercraft in navigable waters.—(*Honourable Senator Plamondon*)

**Hon. Mira Spivak:** Honourable senators, I move third reading of the bill.

**Some Hon. Senators:** Question!

**The Hon. the Speaker:** Senator Plamondon, do you wish to speak?

**Hon. Madeleine Plamondon:** I do not wish to speak. I wish to say “stand,” and I said it before the question. I am asking that the item stand.

**The Hon. the Speaker:** Senator Spivak or other honourable senators are entitled to request that this motion be adjourned, which makes it subject to a vote. I am not sure whether or not that is the will of the house. Shall this motion stand, honourable senators?

**Some Hon. Senators:** Stand.

**Senator Plamondon:** I say “stand”; therefore, no vote is taken. I should like to have time to prepare to speak.

Order stands.

• (1710)

**FEDERAL NOMINATIONS BILL**

SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Stratton, seconded by the Honourable Senator LeBreton, for the second reading of Bill S-20, An Act to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions.—(*Subject-matter referred to the Standing Senate Committee on Legal and Constitutional Affairs on February 2, 2005*)

**Hon. Bill Rompkey (Deputy Leader of the Government):** Honourable senators, this item has reached day 15, but it is an item that has been referred to committee but not yet dealt with, but it does have to stand in its place on the Order Paper. I ask that it stand in its place on the Order Paper, and that if we need to, we reset the clock.

**Hon. Terry Stratton (Deputy Leader of the Opposition):** I think this is the third time for a rewind on this bill. I would ask the chair of Standing Senate Committee on Legal and Constitutional Affairs when she might expect to put this bill to the committee. She does not have to respond to me now, but I would appreciate an answer when we come back.

**The Hon. the Speaker:** In the meantime, honourable senators, is it agreed that this return to day zero?

**Hon. Senators:** Agreed.

On motion of Senator Rompkey, debate adjourned.

## STUDY ON NATIONAL SECURITY POLICY

### REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE ENTITLED *BORDERLINE INSECURE*—DEBATE CONTINUED

On the Order:

Resuming debate on the consideration of the twelfth report of the Standing Senate Committee on National Security and Defence, entitled: *Borderline Insecure*, tabled in the Senate on June 14, 2005.—(Honourable Senator Rompkey, P.C.)

**Hon. Colin Kenny:** Honourable senators, I would like to take this opportunity to briefly respond to certain points raised Monday evening by Senator Maheu regarding the twelfth report of our committee. In her remarks, Senator Maheu stated the following:

I realize the report was tabled on Tuesday, June 19 and only delivered to my office the next day, not looked at and certainly not debated. However, honourable senators know that the results of committee work in either chamber are first tabled and often followed by a comprehensive statement of the contents of a report, and only then does such a report become the subject of a news release or a news conference ....

Senator Maheu went on to say:

To alter the course of this presumed sequence of events is to be in contempt of Parliament and of the Canadian people. This is clear and beyond debate. Why was the usual and expected procedure not followed? Why was there this haste? Why was there the patent disregard to those of us not on the committee?

Again, I continue to quote Senator Maheu:

To table a committee report suggests future debate. On the contrary, to unveil a committee report outside of the parliamentary context and in an *ex cathedra* fashion might imply that such a report is now beyond the Senate, or already approved by the Senate, perhaps never needing or requiring at all any Senate approval. Such procedure is the very absence of procedure. Clearly, it is a contemptuous act.

That is the end of the quotation of Senator Maheu's remarks.

Honourable senators, I want to assure you that our committee followed to the letter all of the rules and practices in respect of tabling our twelfth report. Our report was tabled on June 14, not June 19, as claimed by Senator Maheu. Marleau and Montpetit on page 884 state: "Committee reports must be presented to the House before they can be released."

The report was not released to the public until after I tabled it in the Senate chamber on the afternoon of June 14. Once it was laid on the table, it became a public document. Requests for copies of the report were made to the journals office that afternoon following its tabling, and they were provided. Copies were also sent to all senators' offices. I myself did not speak to the media until several hours after the tabling when I was called by them with questions about the content of the tabled document, and our press conference was scheduled for the next morning.

Clearly, there was no contempt shown to the Senate and the procedure we followed, which is, indeed, the normal procedure followed by all Senate committees when tabling their reports.

With regard to Senator Maheu's comment, "To table a committee report suggests future debate," I wish to remind the senator of rule 97(3) of the Rules of the Senate, which states:

A report which by its own terms is for the information only of the Senate shall be laid on the Table but may on motion be placed on the *Orders of the Day* for future consideration.

The twelfth report of our committee was tabled in the Senate pursuant to this rule. I was not obliged to ask that it be placed on the Orders of the Day, but given its importance in furthering public policy debate on security matters, I did so, at the time of tabling, and asked the Speaker that it be placed on the Orders of the Day for consideration at the next sitting of the Senate.

Our report, therefore, was clearly unveiled within the parliamentary context and according to our practices and procedures.

With these comments, I wanted to set the record straight concerning the process we followed, and I would now like to move adjournment of the debate and request the balance of my time be reserved so that I may comment on the substance of the report at a later meeting.

On motion of Senator Kenny, debate adjourned.

## INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

### ELEVENTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the eleventh report of the Senate Committee on Internal Economy, Budgets and Administration, presented earlier this day.

**Hon. George J. Furey** moved the adoption of the report.

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

Motion agreed to and report adopted.

• (1720)

## HUMAN RIGHTS

### COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

**Hon. Marjory LeBreton**, for Senator Andreychuk, pursuant to notice of July 18, 2005, moved:

That, pursuant to rule 95(3)(a), the Standing Senate Committee on Human Rights be authorized to meet on Monday, September 19, 2005, Monday, September 26, 2005 and Monday, October 3, 2005, even though the Senate may then be adjourned for a period exceeding one week.

**The Hon. the Speaker:** Are you ready for the question?

**Some Hon. Senators:** Question!

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

Motion agreed to.

## BUSINESS OF THE SENATE

**The Hon. the Speaker:** Honourable senators, we will now revert to Government Notices of Motions.

**Hon. Bill Rompkey (Deputy Leader of the Government):** Honourable senators, I move that we suspend the sitting to the call of the chair pending Royal Assent.

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

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** Honourable senators, before we do that, might I dispose of a ruling that was requested yesterday with respect to the use of lists by the chair? Following that, or a vote on that if one is called for, we would then suspend to the call of the chair and this will be disposed of.

**Hon. Senators:** Agreed.

## POINT OF ORDER

### SPEAKER'S RULING

**The Hon. the Speaker:** Honourable senators, yesterday, during debate on third reading of Bill C-38, a point of order was raised by Senator Corbin, who objected to the practice of using lists as a guide for the Speaker to recognize senators who have indicated an interest in participating in debate. The senator made reference to

several rules of the Senate which make it clear what senators must do when they wish to speak in debate. Senator Cools also joined in on the point of order. In her view, the use of lists is "one of those creeping practices in place that have the effect of eroding the individual rights of senators." Following these brief interventions, I suggested that I would look into the matter and report back to the chamber with a ruling.

Having reviewed some parliamentary authorities and considered the merits of the point of order, I should like to explain to the Senate the purpose of using these lists, which are supplied to me by the leadership of both sides, the government and the opposition. There is nothing really new in using such lists. It is part of the established, albeit informal, practice of facilitating the conduct of business. There is also nothing binding about these lists. They serve simply as an aid to help me, as Speaker, to be aware of who in the Senate has expressed an intention to speak in a debate. In practice, these lists are flexible and discretionary. Their purpose is to assist the flow of proceedings without depriving any senator of the right to join in debate.

[Translation]

The use of such lists is not unique to the Senate. Speakers' lists are used elsewhere. At page 505 of Marleau and Montpetit, there is a statement confirming the use of lists in the other place. This recently published authority states that, "Although the Whips of the various parties each provide the Chair with a list of Members wishing to speak, these lists are used as a guide." References in the 23rd edition of Erskine May, at pages 428 and 521, make it clear lists are used to assist in the arrangement of debate in both the Lords and the Commons. In fact, in the United Kingdom House of Commons, one acknowledged benefit of the use of lists, in accordance with the practices followed there, is to allow the Speaker "a means of distributing the available time as equitably as possible between the various sections of opinion..." Honourable senators will be aware that I do this frequently myself with respect to Question Period, when I advise the house of the number of senators who have indicated a desire to ask a question when only a few minutes remain in the time allotted to this proceeding.

[English]

With respect to an issue raised by Senator Corbin, the use of Speaker's lists is not contrary to the *Rules of the Senate of Canada*, specifically those rules mentioned by the senator that stipulate how a senator is to seek recognition in debate. It must be noted that some senators do not, at times, seem to know where they fall in the order of speaking, and so have not always been recognized if other senators stand to participate in the debate.

Let me repeat, honourable senators: These lists are informal aids that are intended to facilitate the conduct of business. They are not solicited by me as the Speaker. They are provided voluntarily by those responsible for house business and, sometimes, independent senators. These lists are not binding, nor do they in any way limit the right of any senator to participate in debate. That this is so was evident even as we proceeded to debate Bill C-38, following the point of order. I had already mentioned the sequence that I had cited, based on a list given to me, and that was immediately adjusted to accommodate an intervention from another senator.

[Translation]

Whether a parliamentary chamber has 700, 300 or, like ours, just 100 members, speaker's lists are useful. They are neither rigid nor binding, but flexible and discretionary. These lists do nothing to adversely impact the rights or opportunities of any senator to engage in debate.

[English]

If there is any limitation, it may be that the lists emanating from the government and opposition leadership do not take into account the independent senators, of which there are now 11. While the use of the list does not keep the independent senators from speaking in debate, their contribution to the composition of the list might reinforce the idea of balance and completeness. This is a matter, I suggest, that might be reviewed at some point by the Speaker's Advisory Committee.

Whatever is done, I will continue to exercise vigilance in recognizing senators rising in their places, whether or not they have previously indicated their intention to speak. As we saw last evening, senators are often prompted to participate as they become engaged in the exchanges of a healthy and vigorous debate which often occurs in this chamber.

Honourable senators, for the reasons that I have explained, I rule that there is no point of order in this case.

#### BUSINESS OF THE SENATE

**The Hon. the Speaker:** Honourable senators, we are now adjourned to the call of the chair. For what length of time shall we ring the bells? For five minutes? I expect it will be close to six o'clock, honourable senators, before the bells ring. In any event, please listen for the bells. We are now adjourned to the call of the chair and I shall leave the chair until immediately prior to the bells ringing.

The Senate adjourned during pleasure.

[Translation]

The sitting was resumed.

#### ROYAL ASSENT

**The Hon. the Speaker** informed the Senate that the following communications had been received:

#### RIDEAU HALL

July 20, 2005

Mr. Speaker,

I have the honour to inform you that The Right Honourable Beverley McLachlin, Chief Justice of the

[ The Hon. the Speaker ]

Supreme Court of Canada, signified royal assent by written declaration to the bills listed in the schedule to this letter on the 20th day of July, 2005, at 4:56 p.m.

Yours sincerely,

Barbara Uteck  
*Secretary to the Governor General*

The Honourable  
The Speaker of the Senate  
Ottawa

Bills Assented to Wednesday, July 20, 2005:

An Act to amend the Criminal Code (protection of children and other vulnerable persons) and the Canada Evidence Act (*Bill C-2, Chapter 32, 2005*)

An Act respecting certain aspects of legal capacity for marriage for civil purposes (*Bill C-38, Chapter 33, 2005*)

An Act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts (*Bill C-23, Chapter 34, 2005*)

An Act to establish the Department of Social Development and to amend and repeal certain related Acts (*Bill C-22, Chapter 35, 2005*)

#### RIDEAU HALL

July 20, 2005

Mr. Speaker,

I have the honour to inform you that The Honourable Morris Fish, Judge of the Supreme Court of Canada, signified royal assent by written declaration to the bill listed in the schedule to this letter on the 20th day of July, 2005, at 5:42 p.m.

Yours sincerely,

Barbara Uteck  
*Secretary to the Governor General*

The Honourable  
The Speaker of the Senate  
Ottawa

Bill Assented to Wednesday, July 20, 2005:

An Act to authorize the Minister of Finance to make certain payments (*Bill C-48, Chapter 36, 2005*)

[English]

#### BUSINESS OF THE SENATE

**Hon. Jack Austin (Leader of the Government):** Honourable senators, I am sure all senators will agree that we should not adjourn without thanking the table officers, the Senate staff and administration, the pages and all those people who make this chamber work. We thank them both for their services throughout the year but, in particular, in this extended session from June 27.

I wish all of our colleagues a good holiday and a good rest. We will see you on September 27.

**Hon. Noël A. Kinsella (Leader of the Opposition):** Honourable senators, I join with the Leader of the Government in the Senate in the sentiments that he has expressed. I am reminded of one of my more favourite inscriptions to be found on the buildings in Rome. In Rome there are all kinds of inscriptions on all kinds of buildings. One says that time be tempered by time. In that sense, we say to the table officers and all those in the Senate who support us in this work that we shall try to temper the times in less tempestuous ways in the future so that your own summer holidays are not so interrupted. We know the sacrifices that have been made. We who sit here as senators are not unmindful of the interruptions in your summer plans this extended session has caused, and we appreciate it.

**The Hon. the Speaker:** I join with the Leader of the Government in the Senate and the Leader of the Opposition in thanking those who serve us so well here and, in particular, in the circumstances of this summer. Thank you very much.

**Hon. Senators:** Hear, hear!

## ADJOURNMENT

Leave having been given to revert to Government Notices of Motions:

**Hon. Bill Rompkey (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h) I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday, September 27, 2005 at 2 p.m.

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

**Hon. Senators:** Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, September 27, 2005, at 2 p.m.

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# THE SENATE OF CANADA

## PROGRESS OF LEGISLATION

*(indicates the status of a bill by showing the date on which each stage has been **completed**)*

**(1st Session, 38th Parliament)**

**Wednesday, July 20, 2005**

*(\*Where royal assent is signified by written declaration, the Act is deemed to be assented to on the day on which the two Houses of Parliament have been notified of the declaration.)*

### GOVERNMENT BILLS (SENATE)

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
S-10	A second Act to harmonize federal law with the civil law of the Province of Quebec and to amend certain Acts in order to ensure that each language version takes into account the common law and the civil law	04/10/19	04/10/26	Legal and Constitutional Affairs	04/11/25	0 observations	04/12/02	04/12/15	25/04
S-17	An Act to implement an agreement, conventions and protocols concluded between Canada and Gabon, Ireland, Armenia, Oman and Azerbaijan for the avoidance of double taxation and the prevention of fiscal evasion	04/10/28	04/11/17	Banking, Trade and Commerce	04/11/25	0	04/12/08	05/03/23*	8/05
S-18	An Act to amend the Statistics Act	04/11/02	05/02/02	Social Affairs, Science and Technology	05/03/07	0	05/04/20	05/06/29*	31/05
S-31	An Act to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30	05/05/12	05/06/07	Transport and Communications	05/06/16	0	05/06/21		
S-33	An Act to amend the Aeronautics Act and to make consequential amendments to other Acts	05/05/16	Bill withdrawn pursuant to Speaker's Ruling 05/06/14						
S-36	An Act to amend the Export and Import of Rough Diamonds Act	05/05/19	05/06/09	Energy, the Environment and Natural Resources	05/06/16	0	05/06/20		
S-37	An Act to amend the Criminal Code and the Cultural Property Export and Import Act	05/05/19	05/06/15	Foreign Affairs	05/06/29	0	05/07/18		
S-38	An Act respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries	05/05/31	05/06/15	Agriculture and Forestry	05/06/23	3	05/07/18		
S-39	An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act	05/06/07	05/06/15	Legal and Constitutional Affairs					

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
S-40	An Act to amend the Hazardous Materials Information Review Act	05/06/09	05/06/30	Social Affairs, Science and Technology					

**GOVERNMENT BILLS  
(HOUSE OF COMMONS)**

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
C-2	An Act to amend the Criminal Code (protection of children and other vulnerable persons) and the Canada Evidence Act	05/06/14	05/06/20	Legal and Constitutional Affairs	05/07/18	0 observations	05/07/19	05/07/20*	32/05
C-3	An Act to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and the Oceans Act	05/03/21	05/04/14	Transport and Communications	05/06/09	0 observations	05/06/22	05/06/23*	29/05
C-4	An Act to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment	04/11/16	04/12/09	Transport and Communications	05/02/15	0	05/02/22	05/02/24*	3/05
C-5	An Act to provide financial assistance for post-secondary education savings	04/12/07	04/12/08	Banking, Trade and Commerce	04/12/09	0 observations	04/12/13	04/12/15	26/04
C-6	An Act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts	04/11/18	04/12/07	National Security and Defence	05/02/22	0	05/03/21	05/03/23*	10/05
C-7	An Act to amend the Department of Canadian Heritage Act and the Parks Canada Agency Act and to make related amendments to other Acts	04/11/30	04/12/09	Energy, the Environment and Natural Resources	05/02/10	0	05/02/16	05/02/24*	2/05
C-8	An Act to amend the Financial Administration Act, the Canada School of Public Service Act and the Official Languages Act	05/03/07	05/03/21	National Finance	05/04/14	0	05/04/19	05/04/21*	15/05
C-9	An Act to establish the Economic Development Agency of Canada for the Regions of Quebec	05/06/02	05/06/08	National Finance	05/06/16	0	05/06/21	05/06/23*	26/05
C-10	An Act to amend the Criminal Code (mental disorder) and to make consequential amendments to other Acts	05/02/08	05/02/22	Legal and Constitutional Affairs	05/05/12	0 observations	05/05/16	05/05/19*	22/05
C-12	An Act to prevent the introduction and spread of communicable diseases	05/02/10	05/03/09	Social Affairs, Science and Technology	05/04/12	2	05/04/14	05/05/13*	20/05
C-13	An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act	05/05/12	05/05/16	Legal and Constitutional Affairs	05/05/18	0	05/05/19	05/05/19*	25/05
C-14	An Act to give effect to a land claims and self-government agreement among the Tlicho, the Government of the Northwest Territories and the Government of Canada, to make related amendments to the Mackenzie Valley Resource Management Act and to make consequential amendments to other Acts	04/12/07	04/12/13	Aboriginal Peoples	05/02/10	0	05/02/10	05/02/15*	1/05

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
C-15	An Act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999	04/12/14	05/02/02	Energy, the Environment and Natural Resources	05/05/17	0 observations	05/05/18	05/05/19*	23/05
C-18	An Act to amend the Telefilm Canada Act and another Act	04/12/13	05/02/23	Transport and Communications	05/03/22	0 observations	05/03/23	05/03/23*	14/05
C-20	An Act to provide for real property taxation powers of first nations, to create a First Nations Tax Commission, First Nations Financial Management Board, First Nations Finance Authority and First Nations Statistical Institute and to make consequential amendments to other Acts	04/12/13	05/02/16	Aboriginal Peoples	05/03/10	0	05/03/21	05/03/23*	9/05
C-22	An Act to establish the Department of Social Development and to amend and repeal certain related Acts	05/06/09	05/06/21	Social Affairs, Science and Technology	05/07/18	0	05/07/20	05/07/20*	35/05
C-23	An Act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts	05/06/02	05/06/14	Social Affairs, Science and Technology	05/07/18	0	05/07/20	05/07/20*	34/05
C-24	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to make consequential amendments to other Acts (fiscal equalization payments to the provinces and funding to the territories)	05/02/16	05/02/22	National Finance	05/03/08	0	05/03/09	05/03/10*	7/05
C-26	An Act to establish the Canada Border Services Agency	05/06/14	05/06/29	National Security and Defence					
C-29	An Act to amend the Patent Act	05/02/15	05/03/07	Banking, Trade and Commerce	05/04/12	2	05/04/14	05/05/05*	18/05
C-30	An Act to amend the Parliament of Canada Act and the Salaries Act and to make consequential amendments to other Acts	05/04/13	05/04/14	National Finance	05/04/21	0	05/04/21	05/04/21*	16/05
C-33	A second Act to implement certain provisions of the budget tabled in Parliament on March 23, 2004	05/03/07	05/04/20	National Finance	05/05/03	0	05/05/10	05/05/13*	19/05
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 ( <i>Appropriation Act No. 2, 2004-2005</i> )	04/12/13	04/12/14	—	—	—	04/12/15	04/12/15	27/04
C-35	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 ( <i>Appropriation Act No. 3, 2004-2005</i> )	04/12/13	04/12/14	—	—	—	04/12/15	04/12/15	28/04
C-36	An Act to change the boundaries of the Acadie—Bathurst and Miramichi electoral districts	04/12/13	05/02/01	Legal and Constitutional Affairs	05/02/22	0 observations	05/02/23	05/02/24*	6/05
C-38	An Act respecting certain aspects of legal capacity for marriage for civil purposes	05/06/29	05/07/06	Legal and Constitutional Affairs	05/07/18	0	05/07/19	05/07/20*	33/05



No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
C-39	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment	05/02/22	05/03/08	Social Affairs, Science and Technology	05/03/10	0	05/03/22	05/03/23*	11/05
C-40	An Act to amend the Canada Grain Act and the Canada Transportation Act	05/05/12	05/05/16	Agriculture and Forestry	05/05/18	0	05/05/19	05/05/19*	24/05
C-41	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 ( <i>Appropriation Act No. 4, 2004-2005</i> )	05/03/22	05/03/23	—	—	—	05/03/23	05/03/23*	12/05
C-42	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006 ( <i>Appropriation Act No. 1, 2005-2006</i> )	05/03/22	05/03/23	—	—	—	05/03/23	05/03/23*	13/05
C-43	An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005	05/06/16	05/06/21	National Finance	05/06/28	0	05/06/28	05/06/29*	30/05
C-45	An Act to provide services, assistance and compensation to or in respect of Canadian Forces members and veterans and to make amendments to certain Acts	05/05/10	05/05/10	National Finance	05/05/12	0	05/05/12	05/05/13*	21/05
C-48	An Act to authorize the Minister of Finance to make certain payments	05/06/28	05/07/06	National Finance	05/07/18	0 observations	05/07/20	05/07/20*	36/05
C-56	An Act to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement	05/06/16	05/06/20	Aboriginal Peoples	05/06/21	0	05/06/22	05/06/23*	27/05
C-58	An Act for granting to Her Majesty certain sums of money for the federal public administration for the financial year ending March 31, 2006 ( <i>Appropriation Act No. 2, 2005-2006</i> )	05/06/15	05/06/21	—	—	—	05/06/22	05/06/23*	28/05

## COMMONS PUBLIC BILLS

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
C-259	An Act to amend the Excise Tax Act (elimination of excise tax on jewellery)	05/06/16							
C-302	An Act to change the name of the electoral district of Kitchener—Wilmot—Wellesley—Woolwich	04/12/02	04/12/07	Legal and Constitutional Affairs	05/02/17	0 observations	05/02/22	05/02/24*	4/05
C-304	An Act to change the name of the electoral district of Battle River	04/12/02	04/12/07	Legal and Constitutional Affairs	05/02/17	0 observations	05/02/22	05/02/24*	5/05

**SENATE PUBLIC BILLS**

<b>No.</b>	<b>Title</b>	<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>Committee</b>	<b>Report</b>	<b>Amend</b>	<b>3<sup>rd</sup></b>	<b>R.A.</b>	<b>Chap.</b>
S-2	An Act to amend the Citizenship Act (Sen. Kinsella)	04/10/06	04/10/20	Social Affairs, Science and Technology	04/10/28	0	04/11/02	05/05/05*	17/05
S-3	An Act to amend the Official Languages Act (promotion of English and French) (Sen. Gauthier)	04/10/06	04/10/07	Official Languages	04/10/21	0	04/10/26		
S-4	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	04/10/06	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22						
S-5	An Act to repeal legislation that has not come into force within ten years of receiving royal assent (Sen. Banks)	04/10/07	04/10/26	Transport and Communications (withdrawn) 04/10/28 Legal and Constitutional Affairs					
S-6	An Act to amend the Canada Transportation Act (running rights for carriage of grain) (Sen. Banks)	04/10/07							
S-7	An Act to amend the Supreme Court Act (references by Governor in Council) (Sen. Cools)	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22						
S-8	An Act to amend the Judges Act (Sen. Cools)	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/06/16						
S-9	An Act to amend the Copyright Act (Sen. Day)	04/10/07	04/10/20	Social Affairs, Science and Technology					
S-11	An Act to amend the Criminal Code (lottery schemes) (Sen. Lapointe)	04/10/19	04/10/26	Legal and Constitutional Affairs	05/04/12	2 observations	05/05/17		
S-12	An Act concerning personal watercraft in navigable waters (Sen. Spivak)	04/10/19	05/06/01	Energy, the Environment and Natural Resources	05/06/29	0			
S-13	An Act to amend the Constitution Act, 1867 and the Parliament of Canada Act (Speakership of the Senate) (Sen. Oliver)	04/10/19	04/11/17	Legal and Constitutional Affairs					
S-14	An Act to protect heritage lighthouses (Sen. Forrestall)	04/10/20	04/11/02	Social Affairs, Science and Technology	05/03/21	0	05/03/23		
S-15	An Act to prevent unsolicited messages on the Internet (Sen. Oliver)	04/10/20		Subject-matter 05/02/10 Transport and Communications					

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
S-16	An Act providing for the Crown's recognition of self-governing First Nations of Canada (Sen. St. Germain, P.C.)	04/10/27		Subject-matter 05/02/22 Aboriginal Peoples					
S-19	An Act to amend the Criminal Code (criminal interest rate) (Sen. Plamondon)	04/11/04	04/12/07	Banking, Trade and Commerce	05/06/23	1	05/06/28		
S-20	An Act to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions (Sen. Stratton)	04/11/30		Subject-matter 05/02/02 Legal and Constitutional Affairs					
S-21	An Act to amend the criminal Code (protection of children) (Sen. Hervieux-Payette, P.C.)	04/12/02	05/03/10	Legal and Constitutional Affairs					
S-22	An Act to amend the Canada Elections Act (mandatory voting) (Sen. Harb)	04/12/09							
S-23	An Act to amend the Royal Canadian Mounted Police Act (modernization of employment and labour relations) (Sen. Nolin)	05/02/01		Subject-matter 05/07/18 Legal and Constitutional Affairs					
S-24	An Act to amend the Criminal Code (cruelty to animals) (Sen. Bryden)	05/02/03	05/03/10	Legal and Constitutional Affairs					
S-26	An Act to provide for a national cancer strategy (Sen. Forrestall)	05/02/16	05/06/01	Social Affairs, Science and Technology					
S-28	An Act to amend the Bankruptcy and Insolvency Act (student loan) (Sen. Moore)	05/03/23	05/06/01	Banking, Trade and Commerce					
S-29	An Act respecting a National Blood Donor Week (Sen. Mercer)	05/05/05	05/06/01	Social Affairs, Science and Technology					
S-30	An Act to amend the Bankruptcy and Insolvency Act (RRSP and RESP) (Sen. Biron)	05/05/10							
S-32	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	05/05/12							
S-34	An Act to amend the Department of Justice Act and the Supreme Court Act to remove certain doubts with respect to the constitutional role of the Attorney General of Canada and to clarify the constitutional relationship between the Attorney General of Canada and Parliament (Sen. Cools)	05/05/16							
S-35	An Act to amend the State Immunity Act and the Criminal Code (terrorist activity) (Sen. Tkachuk)	05/05/18							
S-41	An Act to amend the Department of Foreign Affairs and International Trade Act (human rights reports) (Sen. Kinsella)	05/06/21							
S-42	An Act to amend the Food and Drugs Act (clean drinking water) (Sen. Grafstein)	05/07/20							

PRIVATE BILLS

No.	Title	1 <sup>st</sup>	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-25	An Act to amend the Act of incorporation of The General Synod of the Anglican Church of Canada (Sen. Rompkey, P.C.)	05/02/10	05/03/23	Banking, Trade and Commerce	05/05/05	0 observations	05/05/10	05/05/19*	
S-27	An Act respecting Scouts Canada (Sen. Di Nino)	05/02/17	05/04/19	Legal and Constitutional Affairs					

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