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THE HONOURABLE NOËL A. KINSELLA
SPEAKER

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THE SENATE

Wednesday, March 21, 2007

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

Prayers.

SENATORS' STATEMENTS

INTERNATIONAL DAY FOR THE ELIMINATION OF RACIAL DISCRIMINATION

Hon. Donald H. Oliver: Honourable senators, today is March 21, the International Day for the Elimination of Racial Discrimination. This morning, I was honoured to have received an invitation from Her Excellency the Right Honourable Michaëlle Jean to attend the Governor General's Student Forum called "From the Abolition of the Slave Trade to the Elimination of Racial Discrimination" marking the bicentenary of the abolition of the slave trade.

Honourable senators, the booklet that was handed out stated:

Since 1989, Canada has marked the *International Day for the Elimination of Racial Discrimination*. This year, the day has a special significance as 2007 coincides with the *Bicentenary of the Abolition of the Slave Trade Act*. This act led to emancipation throughout the British Empire, including pre-confederation Canada. Even after slavery was abolished, the lingering legacy of racism saw former slaves confined to the bottom rung of society and denied even the most basic rights.

Honourable senators, the report indicated:

Today, communities across Canada now reflect on and celebrate the diversity that has made our country a beacon of stability, social harmony, and democracy around the world. Although the spectre of racism continues to test our ability to maintain a cohesive and egalitarian society, Canadians from across the country are holding steadfast to their commitment to build a society in which all citizens have the same opportunities to flourish.

To highlight the significance of the bicentenary, the Governor General hosted "From the Abolition of the Slave Trade to the Elimination of Racial Discrimination" as a students' forum designed to encourage young Canadian students to continue the struggle against inequality and injustice.

Honourable senators, I would say roughly 100 to 150 students from universities across Canada attended the forum this morning. Her Excellency Governor General Michaëlle Jean gave the opening address, followed by an address by the Honourable Jason Kenney, Secretary of State for Multiculturalism and Canadian Identity; an address on slavery in New France by Denyse Beaugrand-Champagne; one from Roméo Saganash entitled "From Panis to Indians: The Aboriginal Colonial Experience;" a presentation by Lawrence Hill, a well-known Canadian novelist, entitled "Slavery and Abolition in Upper

and Lower Canada;" and, finally, an address by Professor Joanne St-Lewis entitled "Abolition of the Slave Trade and the Eradication of Racial Discrimination." There was then some entertainment, followed by a question period and open discussion in which students asked a number of interesting questions about where this will take us over the next 200 years.

[Translation]

CANADIAN PARENTS FOR FRENCH

Hon. Maria Chaput: Honourable senators, today I would like to salute a national network of volunteers, Canadian Parents for French (CPF). These volunteers value French as an integral part of Canada and are dedicated to the promotion and creation of French-second-language learning opportunities for young Canadians. CPF has over 25,000 members across the country.

I would like to read a few excerpts from their press release dated March 9, 2007:

[English]

Canadian Parents for French encourages Canadians to participate in the ninth annual *Les Rendez-vous de la Francophonie* activities taking place in communities across Canada, beginning today and running until March 25.

"Activities and programs that celebrate the rich French culture in Canada offered during this annual event are opportunities in which our youth should be encouraged to participate," says Anna Maddison, CPF president. "Not only will they speak French outside of the classroom but they will also have a chance to meet francophones in their own communities," adds Ms. Maddison. "I also feel that the focus on our First Nations people will enrich the experience exponentially.

This year's theme recognizes the value and role of First Nations people in Canada and encourages dialogue and interaction between francophones, francophiles and First Nations people. CPF developed an English insert which appears in 10,000 issues of the *Les Rendez-vous* publication. The special edition has been distributed across the country.

[Translation]

Bravo and congratulations to the national network of Canadian Parents for French.

• (1340)

[English]

STATUS OF WOMEN

Hon. Lorna Milne: Honourable senators, March 8 marked International Women's Day, and it also reminded me of a couple of quotes that I heard recently about the rights of women in Canada. For instance, on October 18, 2006, in response to a

question that women's rights in Canada have eroded during the past year, the Leader of the Government in the Senate responded:

I do not feel that as a woman I am any less equal than any other person.

On October 5, 2006, Minister Oda stated before a committee in the other place:

This government does fundamentally believe that women are equal. The Charter is there. We recognize that women are equal under the Charter and under any democratic society.

With this in mind, honourable senators, I want to read into the record a few excerpts of a letter by Ginette Petitpas-Taylor, Chairperson of the New Brunswick Advisory Council on the Status of Women, which appeared in the *Moncton Times & Transcript*:

Minister Oda, if you think women are equal, please send me 30 cents for every dollar I earn to make up for the wage gap between women and men, come to my house to provide child care because the new child care bonus doesn't come close to paying for quality child care and help me raise thousands so that I can hire a lawyer to fight discriminatory laws and policies.

That also was the reaction of some Newfoundland women to the astonishing statement by Bev Oda, Minister responsible for the Status of Women, that Canadian women are equal. The minister was attempting to justify changes made to Status of Women Canada, which removed from its mandate the duty to work towards women's equality, cut its budget by 40 per cent — and it has recently talked about putting 20 per cent back in — and made it impossible for groups who receive federal funding to advocate or lobby on women's issues.

"The women are angry," like the slogan of a Halifax-based campaign says, but the women are having fun, too, reacting to the anti-equality actions and statements of the federal government.

What government ministers have said lately about equality strikes people as so outrageous that if you try telling a roomful of people about it, you will get laughter as much as outrage. Because they consider that "Stephen Harper has booted women back to the 60s," the Yellowknife Women's Society staged an old fashioned bra-burning event in front of the local federal building.

One New Brunswick woman wrote that if women are equal, then half of Stephen Harper's Parliament and cabinet should be women; she would have access to a child care program; the incidence of violence against women would be decreasing; and she would not have to think twice about walking through a parking lot alone.

Jane Ledwell from Prince Edward Island wrote a fun quiz in which women are asked, "Are we already equal as the Minister for the Status of Women says?" She takes us through some thoughts on what typically happens in everyday scenarios, such as, how would you describe your paycheque? Is it what you deserve based on your work, training and experience? Not bad —

for a woman? Not bad for part-time work, which is all you can find that is flexible enough? About 62 per cent of what a man would earn for similar work, or are you at home thinking, "Paycheque, what's a paycheque?"

ROUTINE PROCEEDINGS

STUDY ON NATIONAL SECURITY POLICY

INTERIM REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE TABLED

Hon. Norman K. Atkins: Honourable senators, I have the honour to table, in both official languages, the ninth report of the Standing Senate Committee on National Security and Defence, and interim report entitled, *Canadian Security Guide Book 2007: An Update of Security Problems in Search of Solutions — Seaports*. On motion of Senator Atkins, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

THE ESTIMATES, 2006-07

REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (B) PRESENTED

Hon. Joseph A. Day, Chair of the Standing Senate Committee on National Finance, presented the following report:

Wednesday, March 21, 2007

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

ELEVENTH REPORT

Your Committee, to which were referred the Supplementary Estimates (B), 2006-2007, has, in obedience to the Order of Reference of Thursday, February 22, 2007, examined the said Estimates and herewith presents its report.

Respectfully submitted,

JOSEPH A. DAY
Chair

(For text of report, see today's Journals of the Senate, Appendix A, p. 1175.)

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

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

• (1345)

[Translation]

FINAL REPORT OF NATIONAL FINANCE COMMITTEE
ON MAIN ESTIMATES PRESENTED

Hon. Joseph A. Day, Chair of the Senate Standing Committee on National Finance, submitted the following report:

Wednesday, March 21, 2007

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

TWELFTH REPORT

Your Committee, to which were referred the 2006-07 Estimates, has, in obedience to the Order of Reference of Wednesday, April 26, 2006, examined the said Estimates and herewith presents its final report.

Respectfully submitted,

JOSEPH A. DAY
Chair

(For text of budget, see today's Journals of the Senate, Appendix B, p. 1184.)

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

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

ADJOURNMENT

NOTICE OF MOTION

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That when the Senate adjourns Thursday, March 22, 2006, it do stand adjourned until Monday, March 26, 2007 at 6 p.m.

[English]

AGRICULTURE AND FORESTRY

NOTICE OF MOTION TO AUTHORIZE COMMITTEE
TO EXTEND DATE OF FINAL REPORT
ON STUDY OF PRESENT STATE AND FUTURE
OF AGRICULTURE AND FORESTRY

Hon. Leonard J. Gustafson: Honourable senators, on behalf of the Honourable Senator Fairbairn, I give notice that at the next sitting of the Senate, she will move:

That, notwithstanding the Order of the Senate adopted on April 26, 2006, the date for the presentation of the final report by the Standing Senate Committee on Agriculture and Forestry on the present state and the future of agriculture and forestry in Canada be extended from March 31, 2007 to March 31, 2008.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE
TO EXTEND DATE OF FINAL REPORT
ON STUDY OF RURAL POVERTY

Hon. Leonard J. Gustafson: Honourable senators, on behalf of the Honourable Senator Fairbairn, I give notice that at the next sitting of the Senate, she will move:

That, notwithstanding the Order of the Senate adopted on May 16, 2006, the date for the presentation of the final report by the Standing Senate Committee on Agriculture and Forestry on rural poverty in Canada be extended from April 30, 2007 to December 31, 2007.

• (1350)

HUMAN RIGHTS

NOTICE OF MOTION TO AUTHORIZE COMMITTEE
TO EXTEND DATE OF FINAL REPORT ON STUDY
OF CASES OF ALLEGED DISCRIMINATION IN HIRING
AND PROMOTION PRACTICES AND EMPLOYMENT
EQUITY FOR MINORITY GROUPS
IN FEDERAL PUBLIC SERVICE

Hon. A. Raynell Andreychuk: Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That, notwithstanding the Order of the Senate adopted on Thursday, April 27, 2006, the Standing Senate Committee on Human Rights, which was authorized to examine cases of alleged discrimination in the hiring and promotion practices of the Federal Public Service and to study the extent to which targets to achieve employment equity for minority groups are being met, be empowered to extend the date of presenting its final report from March 31, 2007 to March 31, 2008 and that the Committee retain until June 30, 2008 all powers necessary to publicize its findings.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE
TO EXTEND DATE OF FINAL REPORT ON STUDY
OF LEGAL ISSUES AFFECTING ON-RESERVE
MATRIMONIAL REAL PROPERTY ON BREAKDOWN
OF MARRIAGE OR COMMON LAW RELATIONSHIP

Hon. A. Raynell Andreychuk: Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That, notwithstanding the Order of the Senate adopted on Thursday, April 27, 2006, the Standing Senate Committee on Human Rights, which was authorized to invite the Minister of Indian and Northern Affairs concerning the recommendations contained in the Committee's report entitled, *A Hard Bed to Lie in: Matrimonial Real Property on Reserve*, tabled in the Senate November 4, 2003, be empowered to extend the date of presenting its final report from March 31, 2007 to March 31, 2008 and that the Committee retain until June 30, 2008 all powers necessary to publicize its findings.

THE SENATE

FAILURE OF GOVERNMENT TO APPOINT QUALIFIED PEOPLE TO THE SENATE—NOTICE OF INQUIRY

Hon. Tommy Banks: Honourable senators, pursuant to rule 57(2), I give notice that, two days hence, I shall call the attention of the Senate to the failure of the Government of Canada to carry out its constitutional duty to appoint qualified persons to the Senate.

[Translation]

QUESTION PERIOD

BUDGET, 2007

PROVISION FOR MOST VULNERABLE IN SOCIETY

Hon. Céline Hervieux-Payette (Leader of the Opposition): Honourable senators, we sit here in this honourable chamber as representatives of our respective provinces, but we are also here to represent minorities. We have all witnessed this government's "every man for himself" ideology, as shown in the budget.

It is very clear that this government is not concerned about those who are most vulnerable, those whom we represent, who are counting on us to defend them. This government has demonstrated that it has no intention of improving the quality of life of Aboriginals or supporting low-income families.

As the representative of this chamber at the cabinet table, can the Leader of the Government in the Senate tell us why she was not able to convince her colleagues in the other place to defend the most vulnerable Canadians, including students, single parents, seniors and Aboriginals?

• (1355)

[English]

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I thank the honourable senator for the question.

Honourable senators, I believe that the budget that Minister Flaherty tabled on Monday was a balanced budget that brought in tax fairness for families. It covers very important areas that serve all Canadians on health, the environment, infrastructure and the fiscal balance to the provinces.

With regard to members of the Aboriginal community, as I said yesterday, the government is committed to working with Aboriginal Canadians and the provinces and territories to find workable solutions to better the lives of Aboriginal people. The government spends \$9 billion within Indian and Northern Affairs Canada and another \$2 billion in Health Canada. That adds up to \$11 billion. Money is expended in other departments dealing with very serious issues with regard to Aboriginal Canadians.

Honourable senators, no one would deny that many Canadians are living in deplorable conditions. Minister Prentice will work in

consultation with First Nations to develop property ownership issues. Over five years, \$105 million will be spent on the skills and employment department initiative, which will more than double the size of the funding. That funding will surely help young Aboriginal Canadians.

I do not agree with the premise of the question that the government is overlooking this very important group and these very important citizens of our country. As I said yesterday and in this place before, Minister Prentice has worked with Aboriginal communities for a long time, even before he entered public life. I am confident that he will continue his hard work with the Aboriginal people. Further, the so-called WITB program, working income tax benefit, which deals with people living on the poverty line, will also help many people in the Aboriginal community.

Senator Hervieux-Payette: Honourable senators, I would like to think that the constituencies of the Aboriginal people would applaud this budget if they were satisfied; however, we have not heard any applause. Around the country, we witness that these people feel they have been left aside. Contrary to the council of businessmen, the big business community has been applauding this budget. For me, in this budget there is a difference between the rich and the poor.

Senator LeBreton: I have not seen rich people applauding the budget.

An Hon. Senator: Send us the articles.

Senator LeBreton: In fact, I think Bay Street has been rather muted in its comments.

Senator Milne: They see it as inflationary.

Senator LeBreton: This budget is designed to help a wide range of Canadians from all walks of life. More things were done for seniors in the budget, as well as families and farmers, for example, initiatives like the health care wait times trust initiative for cancer treatment in women and young girls.

An article in the *Vancouver Sun* this morning stated, "The budget sets out to accomplish this mainly by putting more money in the right pockets—those of parents and seniors." The article concluded by saying, "The budget makes a modest effort to help parents educate their children." It then goes on to talk about the annual contribution cap to a registered education savings plan. If you drill down into the budget and look at all the details, you will see that it affects a great many Canadians. I dare say that not many of them live on Bay Street.

ABORIGINAL LAND CLAIMS, ENTITLEMENTS AND ADDITIONS TO RESERVES

Hon. Gerry St. Germain: Honourable senators, my supplementary question is to the Leader of the Government in the Senate. It relates to the Aboriginal file.

As honourable senators know, a report was tabled in this place under the very distinguished supervision of Senator Sibbeston, Senator Peterson, Senator Gustafson and Senator Segal — I will leave my name out of it.

There was a reference in the budget with regard to the study. I think we would be remiss if we did not bring that fact forward. This is one of the leading issues in the minds of our Aboriginal peoples.

• (1400)

These huge injustices are not being rectified.

Would the Leader of the Government in the Senate give us some indication as to when the government will be moving on this reference in the budget to specific claims, treaty land entitlement and addition to reserves?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I thank the honourable senator for his question. He is quite right. Minister Prentice, Minister Flaherty and the Prime Minister are most appreciative of the work done in this place.

As the honourable senator knows, Minister Prentice has already had some success with land claims. Historically, far more land claims have been settled under Conservative governments than under Liberal governments. We have a history of settling many of these claims.

With regard to the honourable senator's specific question, I shall request of the minister a timetable as to how he plans to proceed.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

SUPPORT FOR KELOWNA ACCORD

Hon. Joan Fraser: My question is for the Leader of the Government in the Senate. By my count, which may be slightly off, but only slightly, Monday's budget calls for spending of less than \$180 million a year over the next couple of years, and some dribbles after that, on Aboriginal matters. I compare that with the Kelowna accord, wherein an average of \$1 billion a year would have been expended, starting this year, over the next five years. Yesterday, the Leader of the Government in the Senate told this chamber, yet again — as indeed the Minister of Public Works has just done *sotto voce* — that the Kelowna accord was just a press release.

I do not know why people on the government side persist in refusing to accept reality, which is that the Kelowna accord was a real accord, negotiated over 18 months, signed on to by every provincial and territorial government, the federal government and the Aboriginal peoples, and that the money for it was booked. Although the Leader of the Government in the Senate has never wished to table documents that would confirm that, those documents do exist.

The government's references to the Kelowna accord tend to belittle it. Not only do they suggest that the accord was a press release, they also suggest that it was not worth it anyway.

The Leader of the Government in the Senate may not like hearing laudatory remarks about the Kelowna accord from this side, but I was interested to read in today's *Toronto Star* the report of a comment by someone else:

We've existed for 140 years and we have this shameful situation that exists today . . . and why? Very simple. We stole their land. We drove the Indians, the Inuit, the natives off their land. I support it (the Kelowna accord) absolutely.

Those comments were made on national television on Sunday night by the Right Honourable Martin Brian Mulroney.

In the light of this frank and accurate statement by former Prime Minister Mulroney, will the government consider changing its position?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I thank the honourable senator for her question. As she knows, the Kelowna accord did not have a fiscal framework attached to it. Minister Prentice has stated on many occasions, just as Mr. Mulroney did on Sunday night, that the government is committed to the principles and objectives set out in the Kelowna accord. The Prime Minister has said this and so has Minister of Indian and Northern Affairs.

I do not want to go back to an old Question Period and remind Senator Fraser about something Eddie Goldenberg said in his book about the commitment of Mr. Martin when he was the Minister of Finance to this particular file, but, for the record, I shall repeat what I said yesterday, that Budget 2007 clearly states that we will work in consultation with the First Nations to develop approaches for on-reserve property ownership. Under the budget, \$105 million over five years will more than double the size of the Aboriginal Skills and Employment Partnership program. The budget provides \$20 million over the next two years to support First Nations participation in the East Coast fisheries. The budget provides \$14.5 million over two years to expand the Aboriginal Justice Strategy. A new regulatory regime will be developed to oversee water quality on reserves based on the options raised in the report of the Expert Panel on Safe Drinking Water for First Nations. Minister Prentice will also work with First Nations, as I said yesterday and as Senator St. Germain alluded to, on an action plan to accelerate the resolution of specific claims.

• (1405)

Senator Fraser: Honourable senators, I hate to accuse the government leader of being in a state of denial, but that is what it sounds like to me.

As honourable senators know, a vote will take place in the other place today on a private member's bill, Bill C-292 — presented by a very eminent member of Parliament — essentially to reinstate the Kelowna accord, which did have a fiscal framework. In other words, the money was booked.

I am cautiously optimistic that that bill will pass in the House of Commons and will be sent to this place, where I also am cautiously optimistic that it will pass.

If the bill passes, will the government obey the law of the land — because the bill will be the law of the land once it gets Royal Assent — or will it on this occasion, as it so often seems to do, conclude that the law of the land is not relevant if it does not happen to coincide with the government's preferences?

Senator LeBreton: Honourable senators, the senator's last statement is false. The government has never arrived at the conclusion suggested by the honourable senator, as she knows. I shall not answer a hypothetical question. I shall await the results of the House of Commons vote on Bill C-292.

Senator Fraser: If I used the word "irrelevant," it is because I recall asking the government leader last fall, I believe it was, about the government's proposals to hold what amount to elections of senators and mentioning that the proposed legislation did not refer to various constitutional requirements for senators, including the property qualification. I recall that, at that time, the Leader of the Government said that it was not relevant, even though it was in the Constitution. If I should not take that as a precedent, I suppose I should be pleased, but I do recall it happening.

FOREIGN AFFAIRS

ZIMBABWE—BREAKING OF DIPLOMATIC RELATIONS AND RECALLING AMBASSADOR

Hon. Hugh Segal: Honourable senator, in view of the events that Canadians have seen in Zimbabwe — the treatment of the leader of the official opposition by the police and the authorities in that country and the complete violation of international law associated with the rounding up of ambassadors from countries that are showing some support for the democratic process, to have them threatened by the foreign minister of Zimbabwe — will the Leader of the Government in the Senate inquire as to whether there is active consideration of the formal breaking off of diplomatic relations with Zimbabwe until such time as that country is prepared to conform to the most basic of democratic and civil propositions relative to the administration of its affairs?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I thank the honourable senator for that question. The situation, as Senator Segal correctly stated, is deplorable. The Minister of Foreign Affairs is monitoring the situation in Zimbabwe; he has been dealing with various officials on this very serious matter.

As soon as Question Period is over today, I shall notify the Minister of Foreign Affairs of Senator Segal's question in an attempt to get the government's decision on the awful situation in Zimbabwe as quickly as possible.

• (1410)

Senator Segal: When the minister is making those inquiries, could she try to determine whether we might at least be prepared to call our outstanding ambassador, who has been doing a remarkable job in difficult circumstances, home for consultations? In that way, we can begin to send a message about the degree to which Canadians are deeply offended by the administration of affairs in that country.

Senator LeBreton: I will be happy to do that, Senator Segal.

[Translation]

THE SENATE

MINISTER OF PUBLIC WORKS AND GOVERNMENT SERVICES—COMMENTS ON APPOINTEES

Hon. Roméo Antonius Dallaire: Honourable senators, I believe in the multi-party system that is the foundation of our democratic system. It therefore always worries me when someone wants to work in a partisan environment. However, I would like to draw your attention to an article published in today's *Le Devoir*. In the article, the Minister of Public Works and Government Services and a senator, Michael Fortier, who is here today, says that he dreams of leaving the Senate because it is a place where partisan politics abound and where:

... people pretend to be great Canadians ...

and where

... they are there because they know someone ...

My question is for the Leader of the Government in the Senate and perhaps for Senator Fortier, as well. Was Senator Fortier referring to Senators Andreychuk, Angus, Carney, Champagne, Cochrane and Comeau, or all the other senators from his party?

[English]

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I did not see the article the honourable senator referred to, but I think we would all agree that everyone has different opinions, this is a free country and people are entitled to their own opinions.

[Translation]

Senator Dallaire: Honourable senators, I agree that people are entitled to their opinions, but we are nevertheless talking about the fundamental structure of our system of governance. I wonder what the Prime Minister said in his phone call to Senator Fortier that perhaps forced him to prostitute his core principles and forced him to join us in this place where the people may not be quite at his level, unlike perhaps Senator Pearson or Senators Kirby, Pitfield, Lapointe or Watt. Perhaps we do not live up to his expectations.

[English]

Senator LeBreton: The fact is that when the Prime Minister invited Senator and Minister Fortier to join the cabinet, there was a specific need. Senator Fortier agreed to join the cabinet and become a member of the Senate, but at the same time he made it clear that he intended to run for political office and at the first opportunity he will be doing so. He has already been nominated to run for the House of Commons in Vaudeuil-Soulanges.

[Translation]

Senator Dallaire: Honourable senators, I have no problem with someone seeking power and I do not blame them for wanting it. However, to obtain it, no one should denigrate the institution of which they are part of. I would ask the senator perhaps to read a

book about the Senate before leaving us so that he may learn about the institution and the people who work within it, as well as the work accomplished over the years.

[English]

Senator LeBreton: First, Senator Fortier is doing an excellent job as Minister of Public Works and is looking very much forward to being a member of Parliament in the other place, and I will be very happy to refer the recommended reading to him.

BUDGET, 2007

POTENTIAL TO PIT SMALL PROVINCES AGAINST LARGE PROVINCES

Hon. Jeremiah S. Grafstein: I have a question for the Leader of the Government in the Senate and it deals with the budget.

Is the government concerned that this budget is divisive — divisive in the sense that it pits small provinces against larger provinces and therefore undermines the unity of the country?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): Honourable senators, I do not believe anyone would suggest that, in light of the fact that Minister Flaherty was following recommendations of the O'Brien committee, struck by the previous government and chaired by the former Deputy Minister of Finance from the Province of Alberta. That formula was followed, although in a couple of cases the provinces were given the choice of staying with the existing programs or opting into this new program.

• (1415)

What is in place is a framework for future negotiations with the provinces. I hope no one would suggest that the budget pits one part of the country against another. That is a dangerous and irresponsible tack to take; I hope no one would pursue such a course.

SUPPORT FOR CENTRES OF EXCELLENCE

Hon. Jeremiah S. Grafstein: Obviously, when five provinces claim that the budget is not a satisfactory solution to their particular needs, one has to pay particular attention. After all, this chamber is the house of regions; as such, we must concern ourselves about this issue.

Let me turn to another subject, and that is the question of research. The Minister of Industry, as well as other ministers, is concerned that Canada has fallen behind in terms of productivity and competitiveness. One thing we on all sides have said is that Canada should move into the knowledge economy. Then we learn, to our dismay, that our centres of excellence, which are making remarkable progress in terms of putting Canada at the forefront and cutting edge of the knowledge economy, have now had their budgets seriously gutted. A centre of excellence dealing with health had a budget prepared for \$300 million, but it has been gutted to \$30 million.

Could the Leader of the Government in the Senate explain her government's turnabout, flip-flop, with respect to the words heard in the last campaign about the importance of research and the knowledge economy? Why did the budget gut one of the

leading centres of excellence in the world, our centre directed towards medical research?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): A great deal of money has been allocated to various scientific and health research bodies. I shall provide the honourable senator with a list of those by way of a delayed answer.

COST OF FOREIGN ACQUISITIONS

Hon. Jeremiah S. Grafstein: My next question is related to international competitiveness. It is disturbing to discover that Canadian business now believes its ability to compete in the global economy will be detrimentally affected by tax measures in Monday's budget that deal with interest deductions on foreign acquisitions.

If I am reading the newspaper accounts appropriately, the cost of foreign acquisitions will materially increase, putting Canadian companies at a competitive disadvantage. Hence, on the one hand, the government talks about ensuring that we are more competitive internationally and that we improve our productivity — concepts that are accepted on all sides of the house — while on the other hand disabling and disarming Canadian businesses that want to move forward and compete in the world, putting them at a comparative disadvantage.

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): I am not sure to which newspaper article the honourable senator is referring. I shall take that question as notice also.

THE ENVIRONMENT

CLIMATE CHANGE INITIATIVES— SETTING OF OBJECTIVES

Hon. Grant Mitchell: It is a strong managerial maxim that if you cannot measure it, you cannot manage it, yet the new — or should I say neo-con — Conservative government has brought out a series of climate change programs, albeit a very limited series, without any kind of objective or target for what they might be designed to achieve in terms of CO₂ reduction.

My question is to the Leader of the Government in the Senate. How can she expect climate change programs, however minimal they may be, to operate effectively if the government has set no targets or objectives and is refusing to judge and measure such programs in the context of our Kyoto international obligations?

Hon. Marjory LeBreton (Leader of the Government and Secretary of State (Seniors)): First, the Minister of Environment has not yet rolled out the regulations the government is planning on the various environmental fronts.

• (1420)

The budget set out certain areas for the environment, including \$4.5 billion to clean our air and water, reduce greenhouse gases and protect our natural environment. It confirmed that \$1.5 billion will be disbursed to the provinces by establishing the ecoTrust for provincial and territorial clean air and climate

change programs. In addition, there is an allocation of \$2.2 billion for measures to support cleaner transportation, including a new rebate for fuel efficient vehicles, and today there was another announcement on that initiative.

We have introduced a \$93 million national water strategy to clean up the Great Lakes and Lake Winnipeg, for which I was glad to see Premier Doer of Manitoba pay tribute to the government. The budget also confirms \$225 million for the Nature Conservancy of Canada and provides funding for ecologically important lands in the Northwest Territories and B.C.'s Great Bear Rainforest. We also are phasing out the accelerated capital costs for general investments in the oil sands by 2015. These were some of the measures in the budget.

In terms of the regulations that the Minister of the Environment has been talking about, he expects to start making these announcements over the next little while. I can only address today some of the measures we put in the budget to assist the provinces and territories, the government and the public to start addressing some of these serious environmental issues, which I hasten to add were not dealt with in the past.

It was interesting that not one measure in Mr. Dion's announcement of last Friday would do one single thing to reduce air pollutants.

Senator Mitchell: It is breathtaking that the honourable leader would say that about Mr. Dion's climate change program, which is outstanding. I am struck that the Leader of the Government would stand in this house and brag about the expenditure of \$4.5 billion — this is profligate spending — if she cannot tell us what that \$4.5 billion is supposed to achieve. Could she give us hard numbers, objectives and figures to tell us how much that \$4.5 billion will reduce carbon dioxide equivalents in this country — or in the world, for that matter? Is she able to do that, or will she just throw \$4.5 billion away without any idea of what that money will accomplish? What kind of management is that?

Senator LeBreton: Obviously, the honourable senator did not listen to my answer. I was simply saying that the budget set aside \$4.5 billion to clean our air and water, reduce greenhouse gases and protect our natural environment. I also said that in a short period of time the Minister of the Environment will roll out the various plans and programs he has to meet these objectives.

[Translation]

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I have the honour of presenting delayed answers to the following questions: a question raised by Senator Dallaire on October 17, 2006, concerning CIDA project funding and delivery in the province of Kandahar in Afghanistan; a question raised by Senator Segal on October 31, 2006, regarding the income supplement for low-income workers; and a question raised by Senator Jaffer on February 20, 2007, regarding the promotion of security and equality for women in Afghanistan.

[Senator LeBreton]

NATIONAL DEFENCE INTERNATIONAL COOPERATION

AFGHANISTAN— CIDA PROJECT FUNDING AND DELIVERY

(Response to question raised by Hon. Roméo Antonius Dallaire on October 17, 2006)

Canadian International Development Agency's (CIDA) program in Kandahar Province:

The Government of Canada has made substantial financial commitments especially for stabilization and reconstruction in Kandahar and has been delivering on that funding. The security situation in Kandahar imposes severe constraints on the pace with which results like these can be achieved. Civilians are at risk, and aid workers depend on military protection provided by the Canadian Forces. But even in Kandahar, we are making progress. CIDA's Kandahar-specific initiatives complement our broader engagement throughout Afghanistan.

CIDA's Kandahar program currently includes the following:

Operation Hamkari: Demining Project in Kandahar Province \$3.8 million announced on January 9, 2007

Canada's contribution to the United Nations Mine Action Centre for Afghanistan is supporting Operation Hamkari ("hamkari" means assistance and partnership in the Dari language) in the Kandahar districts of Panjwai and Zherai. Over a 12-month period, approximately 2.9 million square meters of contaminated land are being cleared, and 27,000 Afghans in the districts, including children and youth, are being educated about the dangers of mines and unexploded ordnance.

Community-led Development in Kandahar City \$1.9 million announced on January 9, 2007

UN-HABITAT is working with the Afghanistan Ministry of Urban Development and Housing to establish 12 new democratically elected community development councils (CDCs) in Kandahar City. It is working with these and existing CDCs within the city to empower communities to implement their own neighbourhood development projects. Some 6,000 households are benefiting from this project, which seeks to rebuild communities destroyed by the conflict in Kandahar.

Maternal Health Initiative in Kandahar City \$350,000 announced on January 8, 2007

As part of a new multi-donor initiative led by UNICEF and the Afghan Ministry of Public Health to reduce maternal mortality throughout the country, Canada's contribution is supporting UNICEF's project in Kandahar Province. UNICEF is setting up a residential obstetric care facility next to Kandahar City's Mirwais Hospital, providing maternal and neonatal health care training at the Mirwais Hospital, and delivering a safe motherhood information campaign throughout Kandahar Province.

Literacy Program in Kandahar Province
\$1.4 million announced on January 8, 2007

UNICEF is expanding its literacy program in Kandahar Province, which currently provides training to 7,500 participants in 160 centers. An additional 155 community teachers are being trained and 4,600 participants, 80 per cent of them women, are attending a 10-month course combining reading and numeracy with basic life skills, and health and nutrition education.

Accelerated District Reconstruction Program in Kandahar Province
\$11.5 million announced on January 8, 2007

Canada is helping speed up the construction and repair of roads, aqueducts, and waste management and sanitation infrastructure, as well as refurbishing schools and clinics throughout Kandahar Province. Local district and village groups are identifying the priority needs in the areas of basic road infrastructure, irrigation, water supply, sanitation, and social services.

Assistance to Vulnerable Families in Kandahar Province
\$4.5 million announced on December 20, 2006

UNICEF is providing some 20,000 families with non-food items such as tents, blankets, and warm jackets, micronutrients for children and pregnant women, as well as health and medical supplies for hospitals and clinics. Through UNICEF, support is being given to the Afghan Department of Public Health to immunize as many as 189,000 children against measles and to the Afghan Department of Education to distribute education materials for about 40,000 students going to school in temporary centers.

Emergency Food Assistance to Kandahar Province
\$4 million announced on December 20, 2006

The World Food Programme (WFP) is providing food assistance to vulnerable families in Kandahar that have been affected by the conflict and by the drought. The funding is in response to the WFP's Drought Joint Appeal to help internally displaced people in Kandahar Province.

Emergency Food Assistance to Kandahar Province
\$4.9 million announced on October 23, 2006

The emergency aid is assisting the World Food Programme (WFP) to deliver food aid to vulnerable families from Panjwai and Zherai Districts that were displaced from their homes during the NATO-led Operation Medusa against anti-government groups. With this funding, WFP is providing 4,400 metric tonnes of food to vulnerable Afghans throughout the Kandahar region, which has been highly affected by drought.

National Rural Access Program in Kandahar Province
\$1.5 million announced on October 23, 2006

The National Rural Access Program aims to improve a road access network that connects rural households and communities to essential services, while providing badly

needed work for the vulnerable and poor. The project enables repairs and reconstruction to critical roads that improve access throughout rural Kandahar, directly benefiting thousands of Afghans throughout the southern region.

Provincial Development Committee Secretariat Support Team
\$100,000 announced on October 23, 2006

CIDA is recruiting seven local Afghan professionals to support provincial development planning in Kandahar. This newly established Secretariat Support Team is facilitating collaboration and priority-setting by the Kandahar Provincial Development Committee, the key governance and development body of the provincial Afghan Government.

National Area-based Development Program in Kandahar Province
\$3.4 million announced on October 23, 2006 and \$3.1 million announced on October 11, 2006

The National Area-based Development Program (NABDP), an Afghan Government-led initiative implemented by the United Nations Development Programme, helps to improve the lives of rural Afghans by building rural infrastructure, providing access to services and supporting rural development. The program focuses on building and repairing schools, government offices, irrigation channels, water wells, health clinics and other critical services in rural communities.

In Kandahar Province, where needs are particularly acute, CIDA is supporting a focused NABDP approach to initiate a full range of district-based activities. The contribution, announced October 23, will support projects in all 17 districts of Kandahar Province. Canada's contribution, announced October 11, will support six infrastructure projects (repairs to four bridges, one mountain pass and the Ghorak Check Dams) that will improve the lives of 500,000 rural Afghans by facilitating access to markets, water, and other basic services.

Accelerated National Solidarity Program in Kandahar Province
\$2 million announced on October 11, 2006

The National Solidarity Program (NSP) is the Government of Afghanistan's mechanism for the development of rural infrastructure. The program seeks to reduce poverty by strengthening community level governance and by providing grants to communities throughout the country to implement reconstruction and development projects identified by communities themselves. Community development councils (CDCs) have been established throughout Kandahar Province, completing many infrastructure projects to improve irrigation, sanitation, roads, water and power supply. Building on this success, Canada's contribution is supporting the rapid expansion of the National Solidarity Program to two additional districts in Kandahar Province.

CIDA and Department of National Defence (DND) working together in Kandahar Province:

CIDA is a constructive and active partner to Canadian Forces in Kandahar so that the lives and prospects of all Afghans are improved. There is no reason that short-term reconstruction and long-term development cannot be done together and that is what this government is doing.

The security provided by the military creates an enabling environment in which development can increasingly take place. In geographic areas that are too insecure for most NGOs to reach, one viable option is for the military to provide the necessary access so that development can take place.

Developing relationships with the local people in the Afghanistan context is paramount. Winning hearts and minds can only be done through building trust and that takes time. The military can be used for short-term reconstruction, but this does not lead to a sustainable solution. The sustainable and longer-term solution is to build the capacity of the people and government to address their own development needs. This requires an expertise that does not necessarily lie with the military, as it is not in line with their *raison d'être*. It's through this approach that we'll eventually be able to successfully leave Afghanistan with the country able to take care of its own needs.

Accountability of CIDA aid to Afghanistan:

Accountability is extremely important for the Government of Canada. We have a rigorous accountability system in place to manage our development program in Afghanistan, from project selection and design through to implementation, monitoring of progress and evaluation of results.

Every CIDA-funded project has regular reviews to ensure that money is being spent properly and results are being obtained. These are done by CIDA, by reputable multilateral organizations such as the World Bank, or by independent third parties.

CIDA also has independent evaluators provide an operational review of the Afghanistan program every six months. Where risks are identified, CIDA takes corrective actions.

In addition, donors and the government of Afghanistan produce a biannual assessment of progress against the Afghanistan Compact benchmarks.

There is clear accountability for results from individual projects right up to national results.

HUMAN RESOURCES AND SOCIAL DEVELOPMENT

INCREASE OF GUARANTEED ANNUAL INCOME SUPPLEMENT

(Response to question raised by Hon. Hugh Segal on October 31, 2006)

In the course of departmental research and policy work, HRSD officials have highlighted the challenges faced by low-income working Canadians.

This government is taking substantive action in a number of areas to support the economic security of working families:

- Through the Canada Child Tax Benefit, including the National Child Benefit Supplement, we provide income support to low- and middle-income families with children. Federal investments will reach \$9.5 billion by 2007-2008.
- We are investing \$2.5 billion a year in the new Universal Child Care Benefit. All families, including low-income families, are receiving \$1,200 annually for each child under 6.
- Budget 2006 introduced the Canada Employment Credit, which will assist low-income Canadians with costs they may incur as they move into the labour force, and allow those already in the workforce to enjoy more of the rewards of their hard work.
- Overall, Budget 2006 provided comprehensive tax relief for individuals valued at almost \$20 billion over the next two years. As a result, about 655,000 low-income Canadians will be removed from tax rolls altogether.

In addition, in *Advantage Canada*, the November 2006 Economic Update, the Government announced that it will implement a Working Income Tax Benefit in Budget 2007. This advances the Budget 2006 commitment to work with the provinces and territories to further lower the welfare wall by introducing a Working Income Tax Benefit to make work pay for low- and modest-income Canadians.

NATIONAL DEFENCE

AFGHANISTAN—EFFORTS TO PROMOTE SECURITY AND EQUALITY FOR WOMEN AND GIRLS

(Response to question raised by Hon. Mobina S.B. Jaffer on February 20, 2007)

Gender equality is a crosscutting theme throughout CIDA programming. Gender equality results are systematically and explicitly integrated across all CIDA programming, including Afghanistan.

CIDA's work on rule of law and on microfinance, for example, also has a strong focus on equality of opportunity for women and men.

The projects listed below are only those where gender equality is the key mandate:

- CIDA is contributing \$56.35 million to the Microfinance Investment Support Facility for Afghanistan (MISFA). As of January 2007, MISFA was assisting over 215,000 women in improving their livelihoods.
- CIDA is contributing \$14.5 million to the Bangladesh Rural Advancement Committee — Afghanistan (BRAC-AF) to implement a project in collaboration with the Afghan Ministry of Education. The project is establishing up to 4,000 community-based schools and after-school learning programs, and is providing training for 9,000 new female schoolteachers. About 120,000 schoolchildren in 11 provinces (including Kandahar Province) will benefit from this project (85 per cent of them girls).
- CIDA is contributing \$4.95 million to the Integrating Women Into Markets program which is helping 1,500 women develop horticulture operations in home-based gardens to supplement family diets and generate income. This project will benefit over 5,000 Afghans who are family members of the women involved.
- CIDA is contributing \$1.4 million to UNICEF to expand its literacy program in Kandahar Province. An additional 155 community teachers are being trained and 4,600 participants, 80 per cent of them women, will receive training in reading, numeracy, basic life skills, and health and nutrition education.
- CIDA is supporting a Maternal Health Initiative in Kandahar Province. UNICEF will set up a residential obstetric care facility next to Kandahar City's Mirwais Hospital, provide maternal and neonatal health care training at the Mirwais Hospital, and deliver a safe motherhood information campaign throughout Kandahar Province.

The 'Strengthening the Rule of Law' project, supported by CIDA, is training justice professionals in gender issues and law so that women will have improved access to the justice system.

The Government of Afghanistan has identified equality between women and men as a priority in the Afghanistan National Development Strategy. Canada, among other donors, plays a supporting and facilitative role in this regard.

• (1425)

[English]

PAGES EXCHANGE PROGRAM WITH HOUSE OF COMMONS

The Hon. the Speaker: Honourable senators, I am pleased to introduce two pages from the House of Commons participating in the Page Exchange Program this week. On my left is Ms. Annie

Chu, from Delta, British Columbia. Ms. Chu is enrolled in the Faculty of Social Sciences at the University of Ottawa, where she is majoring in International Studies and Modern Languages.

On my right is Ms. Heidi Mitchell, from Thunder Bay, Ontario. Ms. Mitchell is enrolled in the Faculty of Social Sciences at the University of Ottawa, where she is majoring in International Development and Globalization.

ORDERS OF THE DAY

CANADA ELECTIONS ACT

BILL TO AMEND—THIRD READING— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Di Nino, seconded by the Honourable Senator Oliver, for the third reading of Bill C-16, to amend the Canada Elections Act.

Hon. Serge Joyal: Honourable senators, I rise to speak at third reading of Bill C-16. First, allow me to comment on the interview given by Senator Fortier in which he judged all senators by stating that in this chamber senators play the role of great Canadians while acting for partisan purposes. I regret those comments because they affect senators on his side of the house as much as on this side; first and foremost, the Leader of the Government and Secretary of State for Seniors, for whom I have the greatest respect in the service of the Prime Minister of Canada, who appointed her. That does not make her a more credible or less credible senator. I use the example of the Honourable Leader of the Government in the Senate, but I could use the name of any honourable senator in this house. It refers to the role of all senators in this place who have been involved in public life, whether at the federal, provincial or municipal level. When senators are appointed, they bring with them the baggage of their experience, knowledge, expertise and good faith. They come from various regions and minority groups, with varying official languages skills, including the languages of our Aboriginal senators. They come here with the dedicated will to contribute to the advancement of the freedom of Canadians and their quality of life. They remain determined to give back to this country what they have received.

I deplore such comments from a new senator. Perhaps if Senator Fortier had taken the opportunity to participate in debate in this chamber rather than just coming in and out for Question Period or participated at one of the Senate committees, then he might have expressed a different opinion of senators. I hope he has such an opportunity in the near future.

Honourable senators, allow me now to share my reflections on Bill C-16. I thank Senator Di Nino for sponsoring this bill, which seems simple and basic in its intent to fix the federal election date. Bill C-16 provides that a general election be held on the third Monday of October every four years.

The bill touches upon three important constitutional principles. First, the Royal Prerogative of dissolution of Parliament is preserved as provided in clause 1. The second principle does not appear in the bill. It is a constitutional convention whereby a Governor General does not call an election unless he or she receives a request to do so from a prime minister. That has been a rule in the democratic life of Parliament for more than 100 years.

• (1430)

That constitutional convention is attached to section 50 of the Constitution that provides that every House of Commons will continue for five years from the day of the return of the writs for choosing the House subject to be sooner dissolved by the Governor General. Clearly, the Constitution recognized the power of dissolution of the Governor General.

In principle, the bill covers the area of the prerogative of dissolution, the constitutional convention through which the Governor General acts upon the request of a Prime Minister, and the third principle, which is the principle of responsible government.

What is the principle of responsible government? It is the root principle of our system, which is that a government must command a majority to be able to run the affairs of the nation. If the government loses that majority, of course the government must see the Governor General and ask the Governor General to either call an election or to call another potential Prime Minister. I will come back to this.

This bill seems to be simple in principle because it does not mention any of the intricacies or what happens in practice when these three constitutional principles are at stake.

Let me provide you with a simple assertion: This bill does not apply in situations of a minority government because you cannot fix the life of a minority government for four years, for one simple reason. I have been a member of a minority government and as the Prime Minister of the day said, each day is one day. You never know from one day to the next if you will still have the control and the majority necessary to govern. Therefore, this bill clearly does not apply in the minority government situation.

You may think I am alone in that conclusion, but Professor Monahan from the University of Toronto, a key expert, testified on February 14 with respect to Bill C-16. He said:

Let me say first, senator, that I agree with you entirely that the practical effect of this will be much different in a minority situation than in a majority situation. In a minority situation, we will continue to have the practical possibility of an election occurring prior to the fourth Thursday in October in the fourth year, whatever the terms are of subsection (2).

That is the testimony from our expert. In other words, the bill does not concern the present situation in the other place, not at all. If we adopt this bill, an election can be called any time this week, next week or the months ahead. This bill has no impact on the situation of a minority government.

Let us talk about when this bill applies. It applies normally in the situation of a majority government. What happens in a majority government situation? Honourable senators, many

situations can occur in the context of a majority government. The first situation that can happen is that a majority government, through an accident, can lose an important vote; that happens. It happened during the Pearson years. Those who remember here will remember Mr. Pearson lost a vote because of XYZ reasons; some members were not there. That is the first scenario.

The second scenario is that the government may engineer its own defeat. The government may decide it will put its survival to one vote and manage to lose this vote. Of course, I have an example. On January 28, 2007, *The Globe and Mail* said that the Prime Minister had no incentive to engineer his government's defeat and trigger an election during the spring session of Parliament. This is something that happens. I do not want to impugn any motive. I said this is another scenario that can happen.

Let me talk about the third scenario. This is the scenario whereby this house, because we are a bicameral Parliament, refuses or delays the passage of a bill to the point where the government feels frustrated to implement its agenda and wants to call on the people. I do not need to provide examples; immediate examples come to mind.

The fourth scenario occurs when the government has spent its agenda. It has already implemented fundamental points of its agenda. The present government has five points in their agenda. I understand that when they have implemented the five points of their agenda they will want to go back to the people, to test the will of the people.

Let me provide the fifth scenario: A government is facing a situation whereby it needs to obtain a mandate from the people; there is a new, difficult situation and the government must obtain a mandate. This scenario is in sync with the nature of getting people to support the government's policies.

Honourable senators, all the scenarios that I have described have nothing to do with trying to undo the level playing field this bill is supposed to achieve by providing every political party the capacity to face the election at par. It is clear to everyone it will happen the fourth year. This objective, which is a commendable objective, runs contrary to the principle of responsible government in the five scenarios I have outlined.

Let me provide another scenario that runs counter to the power of dissolution, the Royal Prerogative of dissolution. This bill, being adopted, provides for an election in the fourth year.

Suppose for XYZ reason, the Prime Minister does not go to the Governor General for dissolution of Parliament because Parliament is still in the middle of a debate on an issue that the government feels strongly about. The government is not ready to go to the people. I have been a member of a Parliament that has lasted more than four years. I do not have to provide the details; we can look for examples in the history books.

What happens in that situation? Does the Governor General read Bill C-16 to the Prime Minister stating that he or she is due to ask for dissolution because it is the fourth year and it is past the date?

Honourable senators, what would happen in the context of the use of this bill in the partisan political context of an election call? Even though the bill in principle does not affect the substance of the Royal Prerogative, it could put the Governor General in a dire position, affecting not the substance of the prerogative of dissolution but the exercise of the prerogative. There are two levels. It does not affect the principle of responsible government, but in practice, it makes the implementation of the principle of responsible government more difficult in the five scenarios I have outlined to you.

On the principle of advising the Governor General from the Prime Minister the constitutional convention I have referred to before, it makes it more difficult for a Prime Minister to act on the convention.

In other words, this bill has an impact on each of those three principles. As much as I concur with the honourable senators — and Senator Di Nino has been an outspoken supporter of the bill that it will level the playing field — we all know that countries that have fixed election dates are not the most democratic countries in the world. Let us look south of the border, where they have mixed election dates at the municipal, state and federal level. There is not a democratic country in the Western world where participation in elections is lower, unfortunately. It is not because we are adopting a bill that fixes elections at a specific date after the fourth year, that we are drastically improving the democratic exercise and life of this country.

• (1440)

This bill provides, in fact — as one of the witnesses, Professor Smith, put it — for a flexible fixed election date. In other words, we have both objectives at the same time. We juggle with the practice and the theory. That is why the famous Professor Smith has mentioned clearly —

Senator Comeau: Five minutes.

Senator Joyal: Thank you. I shall conclude within five minutes.

It is not because this bill seeks a positive purpose by creating a level playing field amongst the parties that it will achieve the democratic exercise that characterizes our parliamentary democracy. There is a discrepancy between the principle and the implementation in the practical political life. It is important, honourable senators, to understand that, because being a chamber of sober second thought, we may see different scenarios arising in the forthcoming years with this proposed legislation that will add to the political “game” another element that may fundamentally change the way we practise parliamentary government in our system.

That is why Professor Smith contended that this bill fits neither the theory nor the practice of parliamentary democracy. When I read this bill carefully, as all members of the committee did, I noticed that at clause 56.2(1) of the bill — and we questioned witnesses on this — that something was missing.

Honourable senators, clause 56.2(1) reads as follows — and I quote:

If the Chief Electoral Officer is of the opinion that a Monday that would otherwise be polling day under subsection 56.1(2) is not suitable for that purpose, including by reason of its being in conflict with a day of

cultural or religious significance or a provincial or municipal election, the Chief Electoral Officer may choose another day . . .

I repeat, honourable senators:

If the Chief Electoral Officer is of the opinion that a Monday . . . is not suitable for that purpose, including by reason of its being in conflict with a day of cultural or religious significance or a provincial or municipal election, the Chief Electoral Officer may . . . recommend to the Governor in Council that polling day be . . .

— postponed for a week.

In other words, in reading this, one is led to question what “cultural or religious significance” means. There could be a panoply, if not a rainbow, of reasons — and I insist on the rainbow of reasons — or it may be anything the Chief Electoral Officer qualifies as cultural or religious.

Of course, there has been in our past history another reality that we have to deal with — that is, provincial referendums. If the Chief Electoral Officer is allowed to postpone the date because of a municipal election, should he not be authorized to postpone the date because of a provincial referendum? We all know that many provinces have referenda legislation, such as British Columbia, Manitoba, Quebec and other provinces that call upon provincial referenda, which are totally democratic exercises.

We asked the Chief Electoral Officer of Canada, Mr. Kingsley, whether he would be authorized to postpone an election date for a week or so if there were a conflict with a provincial referendum. I shall quote Mr. Kingsley’s answer, provided on January 31.

You are correct when you say the bill would not allow the Chief Electoral Officer to recommend postponing a general election because of a scheduled provincial referendum. There is no question about that.

We received more or less the same answer from the Chief Elections Officer of Ontario on February 14. Some of us contended that the term “suitable for that purpose” could include a provincial referendum. The following is the answer from the Chief Elections Officer of Ontario, Mr. Hollins, which has fixed election date legislation:

I am always wary of “suitable purpose.” Any time I am given legislation and the people giving it to me have not defined what the terms mean, I am not sure exactly what their thought processes are.

MOTION IN AMENDMENT

Hon. Serge Joyal: Therefore, I move, seconded by Senator Robichaud:

That Bill C-16 be not now read a third time now but that it be amended in clause 1, on page 1, by replacing lines 23 and 24 with the following:

“religious significance, a provincial or municipal election or a federal, provincial or municipal referendum, the Chief Electoral Officer may”.

Hon. Consiglio Di Nino: I will restrict my comments today to the honourable senator's amendment, although I am tempted to make a few brief remarks on the thoughts the honourable senator expressed in particular on the royal prerogatives and other constitutional components of the bill.

We had, I believe, overwhelming evidence, certainly a large body of opinion, that was quite specific and clear that section 50 of the Constitution and section 4 of the Charter of Rights and Freedoms were not affected by this bill. In effect, the comments that the honourable senator made would not have unanimous opinion by everyone. However, I think it was quite clear in the evidence we heard that these powers and prerogatives are not affected and in effect are preserved by this bill.

With respect to the proposed amendment, it is certainly my opinion, and I believe that we have had considerable testimony as well, that Bill C-16 is already flexible enough to allow for this possibility. It is broadly written, sufficiently so, to allow the Chief Electoral Officer to recommend changing the polling date if it conflicts with events such as a referendum. However, a referendum would not necessarily be precisely included in there, and it was not. I would say that nothing is more analogous to a provincial referendum than a provincial election.

There are certainly examples, and I shall provide one. Since the honourable senator raised the issue of the Ontario election, the Chief Elections Officer just recently recommended a change in the fixed date, which was slated to take place in Ontario on October 4, 2007, because of a particular opinion on his part that the date would conflict with a religious holiday. He recommended October 10, which was accepted by the Lieutenant Governor in Council.

I would like to reflect more on the comments made. I ask permission from the Senate to adjourn the debate and continue probably tomorrow.

• (1450)

The Hon. the Speaker: Senator Atkins would like to ask a question.

Hon. Gerald J. Comeau (Deputy Leader of the Government): Is it on the adjournment?

The Hon. the Speaker: We have a practice in this place that when an honourable senator indicates that he or she will move the adjournment and someone else wants to intervene, we then allow that other senator to intervene.

Hon. Norman K. Atkins: I thought that Senator Joyal made a good argument. I was surprised by his amendment.

I would ask Senator Di Nino: Does he not think this bill is moving toward the Americanization of our parliamentary system?

Senator Di Nino: It is a very simple answer: no, in my opinion. I remind the honourable senator that one of our provinces, British Columbia, has already had an election on a fixed election date. I also remind the honourable senator that on October 10, there will be a fixed election under the laws of the Province of

Ontario. Newfoundland and Labrador has also put in similar legislation. A number of other countries around the world have fixed election dates.

No, I do not agree with the honourable senator.

Senator Atkins: The fact that these two provinces and the territories have made this decision does not prove that it is right. Should we not wait and see just how well they make out before we start making amendments or bringing bills before this place?

Senator Di Nino: I would like to remind all honourable senators, and in particular Senator Atkins, that this piece of legislation is to keep a promise made by the Conservative Party during the election, that it was passed without amendment, with all-party support, in the other place, and that a poll of Canadians unanimously and overwhelmingly supported the initiative.

I agree with Senator Joyal in that this is not a simple bill. No bill is ever simple. Each bill has components to it that have repercussions on the lives of Canadians. In this case, the issue is fairness and transparency. It takes away from the Prime Minister the right to call an election when he or she feels it is politically expedient and to the particular party's benefit. I detected some cynicism in the question. I apologize to my colleague. I do not mean to sound this way. We must remember the principal purposes of this legislation, and I believe they will be achieved fully in this bill.

Hon. Anne C. Cools: Will the honourable senator take a question?

I believe I heard the honourable senator state that the Prime Minister of Canada is surrendering rights. I would like to begin by disagreeing with that point of view. The Prime Minister of Canada is surrendering nothing.

We must understand that the fundamental principle of our system of government is that power is held by governments precariously, that a government can be removed overnight; in other words, the right in respect of elections accrues to the citizens, not to prime ministers. This bill is proposing to remove from citizens their right to have an election called any day of the week at any time, even if there is a terrible, evil prime minister that a party is insisting on keeping in power. They have existed in time.

I want the honourable senator's opinion or statement on this point. The loss of rights is not that of prime ministers. The Prime Minister would be acquiring much from such a proposal. The loss of rights is that of the citizens, the Queen's subjects.

Senator Di Nino: I will answer the question and then I want to ask a question of my own.

Senator Cools: I would be happy to answer.

Senator Di Nino: No, my question is not for the honourable senator.

I am happy to answer questions. My concern is that it will take away my time from completing my comments tomorrow. I will answer this question, but I respectfully ask that no further questions be posed because I will not answer them.

I did not say that the Prime Minister is giving up a right. I am saying that this bill, in effect, in its retention of the potential loss of confidence, does not take away that parliamentary responsibility, which is an essential part of the responsible system of government that we have. It is still there. We must not under our system of responsible government do away with the fact that when a government loses confidence, an election should and must be held.

As much as I would like to review my comments, I do not believe I said it is a right of the Prime Minister. I believe I said that it is an abuse. Perhaps I should have said a misuse of the abuse of the power of a prime minister, which, under this bill, will be eliminated.

The Hon. the Speaker: My understanding is that Senator Di Nino would now like to put his motion that the item be adjourned until the next sitting of the Senate for the remainder of his time.

Senator Cools: Your Honour, I object very strongly. You choose to stand up and cut me off. The use of the Speaker standing should not be used to cut off a person in mid-sentence.

The Hon. the Speaker: Order.

Honourable senators, Senator Di Nino has moved, seconded by Senator Oliver, that further debate on this item be continued at the next sitting of the Senate for the remainder of Senator Di Nino's time. Is it your pleasure, honourable senators, to adopt the motion?

On motion of Senator Di Nino, debate adjourned.

BILL TO AMEND THE LAW GOVERNING FINANCIAL INSTITUTIONS

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Angus, seconded by the Honourable Senator Gustafson, for the second reading of Bill C-37, to amend the law governing financial institutions and to provide for related and consequential matters.

Hon. Mac Harb: As honourable senators will know, the Bank Act was up for review at the statutory five-year term and both Houses, the House of Commons as well as the Senate, will have to approve Bill C-37 no later than April 24, 2007. That is why this piece of legislation is so urgently relevant and we need to collectively work on it as a team so that it will go through all of the necessary readings and be proclaimed.

Obviously, the review process will involve consultation with stakeholders, industries, consumer groups and the public at large. It came to us with a number of proposals, some of which are extremely important.

• (1500)

Others are relevant to the industries. In essence, they help industries to be more efficient and transparent. Others have also benefited the consumer. I will briefly touch on some of those issues, but not all, because I would like to see this bill referred to committee as quickly as possible so that we can, from the Senate side, have an opportunity to hear from some of the stakeholders.

As honourable senators know, Bill C-37 follows what the previous good Liberal government had proposed in its White Paper discussion, and the vast majority of the recommendations came out of that paper. It is not a surprise that senators on this side of the chamber are supportive of the bill. After all, it was the good work of the previous Liberal government.

Several elements of the bill are new. One of these elements deals with disclosure. When a consumer goes to a bank to perform a transaction, the bank will have to disclose information in a timely fashion so that the consumer, whether an individual or a business, will have the opportunity to make a decision based on information available to him or her.

Another element that arose as a result of the 2001 review was the definition of an institution, whether large, medium or small. It used to be that a large institution was any organization with capital greater than \$5 billion. That number has been changed to \$8 billion. A medium-sized institution would be anything between \$2 billion and \$8 billion, and anything below \$2 billion would be considered a small institution.

Another important element of the bill deals with the use of electronic cheque imaging. Regarding cheque clearance, the way it used to be done in the past is the following: Say, for example, you have written a cheque in Newfoundland and the bank that is supposed to be clearing the cheque is somewhere in Ottawa. That particular cheque would have to be moved, whether by air or boat, all the way from Newfoundland to Ottawa to be physically in the hands of a clerk in Ottawa in order to be cleared.

With the technological revolution, things have changed and the beneficiaries of the changes are the consumers. With the introduction of electronic cheque imaging, clearance of cheques can be done much faster. Therefore, if you were to deposit your cheque in a bank, you would have the opportunity for it to clear much faster.

The benefit here is immediate. Why is that? A contractor who is receiving a cheque will have to deposit that cheque and wait until the cheque is cleared so he can pay his subcontractors. As honourable senators can appreciate, a reduction of one or two days in the clearing process would mean an improvement to the business transaction and to the whole business conduct of that particular operation.

Therefore, there is a benefit. That benefit could be tangibly felt as the contractor might have been forced to take the cheque to the local payday office in order to access the cash immediately. The contractor might have to do that rather than wait the seven or 10 days for his cheque to clear the bank. He would be forced to take the money at a discounted rate to pay his subcontractors.

What the government has done, as a result of the previous government's work, is benefited the little guy or lady on the street by saving them money and time.

Another change to the bill concerns credit unions. In the past, one needed to have 10 credit unions in order to form a cooperative. That rule has been changed and it is now easier for a credit union to form a cooperative.

There is another important change to the bill that everyone involved in the purchase of a home or property would know about. The requirement would be to put a 25 per cent down payment on the house and then pay insurance on the 75 per cent of the value of the property.

We all know that many consumers, with the price of housing, may not be able to afford the 25 per cent down payment required under the previous rules. This particular bill introduces a mechanism whereby a consumer could come up with a 20 per cent down payment and therefore would be able to have a mortgage for 80 per cent. This is a direct net benefit to the consumer that could be felt immediately once this bill is proclaimed.

There are other housekeeping items that will help the banking and financial community to be more efficient in conducting international business. In the past, banks were required to have a two-thirds majority of Canadians on their board of directors. Now, living in a global community, we have to move with the times. That requirement has changed to a simple majority. This will encourage and assist banks to attract talent from around the globe. When a bank is doing business in Latin America or Asia, it will be a net benefit to have directors from that part of the world on its board. With the limitations imposed in the past that was not feasible.

I could go on at length about what is not in Bill C-37; however, what is not in the bill is not in the bill and is therefore outside the scope of what we are talking about here today. It is my hope that this house will move quickly to refer the bill to committee for the opportunity to examine it closely. We can look at some of the amendments in more detail and hopefully pass it as quickly as possible.

The banks are owned by the people. The banks in Canada are on a solid footing because the Government of Canada, when it first introduced the Bank Act, thought things through. The banking and financial community in Canada is the envy of the world. While these institutions are large employers, they are owned by pensioners, teachers, workers, unions; they are owned by individual Canadians as well as by corporations.

It is a privilege for me to have the opportunity to speak on Bill C-37 and I hope we refer it to committee as quickly as possible.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

The Hon. the Speaker *pro tempore*: When shall this bill be read the third time?

[Senator Harb]

On motion of Senator Angus, bill referred to the Standing Senate Committee on Banking, Trade and Commerce.

• (1510)

CANADA ELECTIONS ACT PUBLIC SERVICE EMPLOYMENT ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Nolin, seconded by the Honourable Senator Di Nino, for the second reading of Bill C-31, to amend the Canada Elections Act and the Public Service Employment Act.

Hon. George Baker: Honourable senators, Bill C-31 is perhaps one of the most interesting pieces of legislation to come before the Senate in a long time. It deals with the question of whether or not you agree that somebody's age, their date of birth, should be known to the entire world — that is, that it should be distributed to all political parties, all persons who campaign for politicians and all politicians as a part of a mail-out by the Chief Electoral Office.

Senator Milne: All forgers and imposters.

Senator Baker: That is the question that the Privacy Commissioner has highlighted, as have several other people.

Let us not forget, honourable senators, that this bill passed through the House of Commons very quickly. There were a few objectors, but not many. After it passed third reading there, an editorial appeared in the local paper, the *Ottawa Citizen*, calling on the Senate to intervene. This was three weeks ago. The final sentence says:

Unless the Senate demurs, voters may expect peppy birthday greetings from MPs to follow shortly. So much for Parliament's respect for privacy.

The lead-up to the editorial was that the Privacy Commissioner, Jennifer Stoddart, objected to this piece of legislation, saying, according to the editorial:

One of the basic rules of data protection is that personal information should be collected and used sparingly and in proportion to the problem it is intended to address.

The editorial goes on to say that all parties can get their eager little hands on this information. Ms. Stoddart and former Chief Electoral Officer Jean-Pierre Kingsley urged the MPs not to do it, but the MPs in the other place passed the bill, so we are now left with the request by the Privacy Commissioner and the Chief Electoral Officer, and by many Canadians, not to allow people's date of birth, their day of birth, their age, to be circulated throughout Canada.

When I read this editorial about this piece of legislation before us, I wondered about the case to be made that one's date of birth and one's age should not be allowed generally. I was thinking about someone checking their MasterCard statement on the

telephone. You phone up, and they say, “Read the numbers on the front of the MasterCard,” so you read the numbers. Then they say, “Could you now, for security reasons, give your year of birth followed by the number sign.” Once you do that, then they say, “Give the month of your birth, followed by the number sign.” Then they say, “Give the day of your birth, followed by the number sign.” Then you are into your MasterCard account and you can do with it whatever you please.

I do not think that the objectors to this legislation are far off when they say this is perhaps one of the most important pieces of legislation to come before the Senate. Unfortunately, the members in the other place voted unanimously. As the editorial said:

But the bill, which sailed through final reading in the House of Commons last evening, pays no heed to her legitimate objections.

It is an interesting piece of legislation. The Standing Senate Committee on Legal and Constitutional Affairs will find it very interesting, I am sure.

This bill also gives every voter a personal identification number. The research bureau points out that the proposed amendment is silent on the issue of whether social insurance numbers may be used to identify a voter.

Clause 7 of the bill is fascinating. Let me read it. In updating the register of electors:

... the Minister of National Revenue may, on a return of income referred to in subsection 150(1) of the Income Tax Act, request that an individual who is filing a return of income under paragraph 150(1)(d) of that Act indicate in the return whether he or she is a Canadian citizen.

That is the first point.

Then it says:

For the purposes of updating the Register of Electors, the Minister of National Revenue shall, at the request of the Chief Electoral Officer, provide the name, date of birth and address ... to the Chief Electoral Officer. ...

That clause gives authorization to the Minister of National Revenue to, first, put it on an income tax return and, second, authorize your date of birth to be given to the Chief Electoral Office.

It goes on in clause 11 to say that no apartment building, no gated community, no multi-residence building shall deny, from the hours of 9 a.m. to 9 p.m., any canvasser from arriving at the door.

Clause 12 says that no person who is in control of a building, land, street or any other place, any part of which is open without charge to members of the public, whether on a continuous, periodic or occasional basis, including any commercial, business, cultural, historical, educational, religious place, shall deny access to canvassing by political parties. Then there is a reverse onus in the next paragraph, which says that if religious or cultural organizations do not like being canvassed, they have to prove that

their place is not conducive for the purposes of campaigning. It comes after the fact.

Is there anything else there of any great interest? One clause deals with the candidate's representative in the polling booth. This is a new system. Right now, someone in Bible Hill, Nova Scotia, Aunt Susie, has her name on the voters' list and everyone knows Aunt Susie. After this bill passes, Aunt Susie will have government-authorized picture ID to present before she can vote. Aunt Susie better have a driver's licence or Aunt Susie could be in serious trouble. Although everyone in that polling booth may be her relative, she will not be able to vote under this new legislation. Barring that, she could have two pieces of identification that are approved by the Chief Electoral Officer. Barring that, she has to have somebody who has this ID swear that she is who she claims to be, and then she is informed what will happen to her under the Criminal Code if she is not Aunt Susie. It changes the complete complexion of voting right across Canada.

• (1520)

Under proposed section 144 of the act — which is amended at clause 21 in the bill — the deputy returning officer, poll clerk, candidate or candidate's representative, if he or she has doubt about a potential elector, can request that the individual, even if he or she has photo ID, take the prescribed oath.

Further on in the bill, the summary offences are outlined. It is a summary conviction offence to violate any of this. As honourable senators know, we just passed a bill that allows someone to go back five years after an offence is known before they have to lay a charge and 10 years after the offence takes place. The Legal Affairs Committee tried to change that — all the members agreed to change it — but not the government, so now we are left with that.

In conclusion, do not forget that this bill, which the editorial writers, the Privacy Commissioner and the Chief Electoral Officer are telling us to change, authorizes the Minister of National Revenue to include on an income tax return the choice of whether or not the filer's date of birth can be passed along to Elections Canada. This bill, honourable senators, authorizes the use of that information. The Minister of National Revenue may request that information — and I read it out to you, word for word.

The bill before us passed four weeks ago in the other place with little debate, practically unanimously. It is now before the Senate. Guess what is included, for the first time in Canadian history, on the income tax return being filled out by taxpayers this year? Let me read the paragraph to honourable senators:

As a Canadian citizen, I authorize the Canada Revenue Agency to provide my name, address, and date of birth to Elections Canada for the National Register of Electors.

You can imagine the interesting time the chair will have in the Legal Affairs Committee when this bill is before it. I would suggest to honourable senators that perhaps amendments are in order — amendments that I think would be supported by all senators.

Hon. Senators: Hear, hear!

Hon. Gerald J. Comeau (Deputy Leader of the Government): Would the honourable senator entertain a question?

Senator Stratton: Entertain is the word for it.

Senator Comeau: I will not ask for Aunt Susie's phone number; I am happily married. However, I should like to ask a question.

My understanding was that the original bill did not include a full birth date. Does the honourable senator know when the change took place to include a full birth date, rather than just year? The polling clerks are able to estimate an individual's age just by looking at the person; they do not need a birth date. My understanding was that the original bill did not include that. Does the honourable senator know who changed that?

Senator Baker: That is a very interesting question, one that perhaps could result in the unanimous approval of the Senate for amending this legislation to make it appropriate. The honourable senator is absolutely correct; in fact, the government was opposed to this in the original bill.

Senator Comeau: That is right.

Senator Baker: What happened? The House of Commons, whose members are interested in campaigning everywhere and getting everyone's information so they can send Christmas cards, held committee hearings on this bill. The committee made a unanimous decision and took it to the House of Commons. The House of Commons then all agreed — let us not forget that. The bill was passed by the House of Commons with the support of the Conservatives, the Liberals and the Bloc. That was the process, but the honourable senator is absolutely correct. The government ended up voting for it, but it was not the government that proposed it in the first place.

Senator Comeau is absolutely correct. I hope he would agree that an amendment is in order, keeping in mind what the Privacy Commissioner said, which was that one of the basic rules of data collection is that personal information should be collected and used sparingly, in proportion to the problem it is intended to address.

In other words, if it is a problem of fraud, you do not tear down the entire system and have Aunt Susie walk in and not be able to vote because the people sitting there, who are all relatives of hers, tell her she cannot vote. It is relative.

I do not understand the necessity of having the date, the month and the year. How about the decade? Everything is relative, but it is certainly something we should take to the committee.

Senator Comeau: I think I heard Senator Baker say that, for the very first time, this year's income tax return asks the permission of voters for Revenue Canada to send the information to Elections Canada. I would like him to reconsider that. I know I have been signing that box for a number of years now, asking me if I am agreeable to having my personal information sent on to Elections Canada.

An Hon. Senator: It was the name and address.

Senator Baker: I can elaborate on that. Yes, there was a request to that effect, but what is in dispute is the section regarding the date of birth.

It is an interesting question, even to itself, because although the authorization is given to Revenue Canada to collect the information to pass it on, we have still not given permission to the Chief Electoral Officer to put it on a list to be supplied to everyone who asks for it in other parts of Canada. Whereas there may be a fault that has taken place, it is not past correction if we were to amend the bill. I think the chair would agree with that. He is the expert; he is the professor of law, so he would know that. He is nodding his head so we have approval on that.

Hon. David P. Smith: Would the honourable senator take a further question? I am very sympathetic to the Aunt Susie situation, but I live in a very different environment in downtown Toronto.

I am curious about the honourable senator's reaction as to how the following problem should be dealt with. In the last election, particularly — and I am not blaming any particular party — in ridings where the NDP does very well, there was a pattern of thousands of voter-day registrations, where identification is nothing more than, say, a label from a magazine or a voter card that might be in the garbage in some apartment building. In one particular riding in the last election, where a Liberal was defeated, there were literally thousands of voter-day registrations — 12,000 in that one riding alone of voter-day registrations — and it made the difference.

Does the honourable senator have any thoughts on how to address that?

Senator Baker: That is an interesting question and I think the answer lies in this. We have a law that is followed. We have a system in place to identify voters on a voter's list and for the swearing in of voters, and it is a fairly good system. Some violations could take place, perhaps, but the honourable senator claims that thousands of violations took place. I would suggest that if that is so, then there might be a problem in the carrying out of the law in that particular polling booth.

• (1530)

Bill C-16 provides that no one person can vouch for more than one other person. That is an interesting provision because, for example, if a group of senior citizens from a long-term care facility were to arrive at a polling booth with their representative but without their respective photo identification, it would be expected that the representative from the facility would vouch for them. However, under the terms of this bill, they could no longer do that because one person is able to vouch for one person only and no one else. I understand that provision is in the bill to solve the problem that occurred in Toronto, I believe, of one person swearing in many people. That would be against the law should this bill pass and honourable senators can imagine the problem that would be created and can understand the difference between rural Canada and a serious urban problem.

I believe that it was Ms. Stoddart who identified it correctly when she said that the remedy proposed in this bill is like a sledgehammer being used to fix a problem that needs only a toothpick to correct.

Hon. Romeo Antonius Dallaire: The honourable senator mentioned the national identification card. I have experienced the abuse of national identification cards. What information will

the government put on the card? It could put some of the data mentioned by the honourable senator, but it could also add information such as ethnicity. When a country finds itself in difficult times, governments sometimes overreact, as we have seen post 9/11 with the enactment of the Patriot Act in the U.S. and some actions here in Canada. Many honourable senators recall the plight of the Japanese and Germans in Canada during World War II and even Ukrainians in World War I.

Is this not a way of sneaking in a national identification card that is, in my view, the most horrific instrument that the government could ever create because Canadians would never know the full extent to which it could be utilized?

Senator Baker: Several representations were made to the Standing Committee in the House of Commons in this regard. The research bureau of Parliament has pointed out in their paper on this matter that accompanies the bill that it was agreed that a randomly selected number would have certain identification attached to it that could be used only for purposes of the Canada Elections Act. However, it falls short of what was demanded — that the identification number randomly selected could not be an individual's social insurance number. Representatives suggested in their testimony before the committee that a provision be put in the bill whereby the randomly selected number could not be a social insurance number. Some representatives demanded that be done, but it was not done by the committee.

Some honourable senators might wish to address that concern when the bill arrives at committee.

[Translation]

The Hon. the Speaker pro tempore: It is moved that Bill C-31 be read for the second time. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Yes.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

On motion of Senator Comeau, bill referred to the Standing Senate Committee on Legal and Constitutional Affairs.

[English]

CANADA TRANSPORTATION ACT RAILWAY SAFETY ACT

BILL TO AMEND—SECOND READING—
DEBATE ADJOURNED

Hon. Hugh Segal moved second reading of Bill C-11, to amend the Canada Transportation Act and the Railway Safety Act and to make consequential amendments to other Acts.

He said: Honourable senators, it is my pleasure to address the Senate today on Bill C-11, to amend the Canada Transportation Act and the Railway Safety Act and to make consequential amendments to other acts related thereto.

I do not stand as an expert on transportation. Living in the city of Kingston, I can underline that there is no city in the country that has a higher per capita use of VIA Rail services than the city of Kingston, Ontario, of which we are very proud. There are provisions in this proposed legislation that will be of immense value to those who use the passenger rail systems across the country. I would be delighted to explain.

I will address the bill with my lack of detailed expertise for the same reason that I accepted an opportunity to speak before the Canada Nutrition Council about one and a half years ago. It was apparent from my arrival at the meeting and my stature before the microphone that I had no advice to offer to anyone on matters of careful and balanced nutrition. Nevertheless, I believe that the issue of nutrition is compelling and, if we understand the history of our country, we know how important transportation is; therefore, I am honoured to share my thoughts with honourable senators and submit my case for their consideration.

As honourable senators know, the Canada Transportation Act is the legislative framework for regulatory and economic activities in the rail transportation and air sectors and covers a number of general matters such as the role and responsibilities of the Canadian Transportation Agency. The Government of Canada has had a legislative strategy to update and improve the Canada Transportation Act based on former Bill C-44, which was tabled in March 2005 by another administration. I can say to all sides of the house that the legislation that I move at second reading today has, as its technical and substantive content base, multi-partisan roots that speak to the best efforts of both major parties represented in this place on the matter of transportation.

Bill C-44 reflected extensive consultations dating back to the statutory review of the Canada Transportation Act that took place in 2000-01. I am delighted to report that the former Institute for Research and Public Policy, where I worked at the time, was very much involved in that review, specifically as it related to the rail and grain-handling sectors in Western Canada.

The review led to the introduction of Bill C-26 in February 2003, which died on the Order Paper later that year. As a result of extensive consultations, there was fairly broad support for many of the provisions then contained in Bill C-44. Indeed, there was strong support for moving on it as quickly as possible. Sadly, the bill was too ambitious and tried to address too many issues at once, a classic example of legislative overreach, and it, too, died on the Order Paper.

In order to proceed as expeditiously as possible, the government's current legislative approach involved dividing the old Bill C-44 into three more manageable and focussed bills, easier for both comprehension and appropriate scrutiny. The first bill, Bill C-3, in respect of the International Bridges and Tunnels Act, was recently passed by this place and received Royal Assent on February 1, 2007. The IBTA provides a legislative framework for international bridges and tunnels in a host of important areas.

• (1540)

The second bill is the bill I speak to now, Bill C-11. The third bill, which is now before cabinet, will address the rail freight provisions of the Canada Transportation Act. It will improve the

shipper protection provisions that address the potential abuse of market power by the railways. There were extensive consultations with shippers and railways on this issue in 2006.

Let me come now to the bill before you for second reading, Bill C-11. It deals with a range of topics, such as the Canadian Transportation Agency, reporting on the transportation sector, air services, passenger rail, including urban transit, railway noise and the grain revenue cap. Among other things, changes in the bill will help improve the quality of life in many communities across Canada.

I would like to note that the Standing Committee on Transport, Infrastructure and Communities in the other place heard from a variety of stakeholders and put forward a number of improvements to the bill, which were incorporated, and that bill passed, on division, on third reading on February 28.

Let me now address the main elements in Bill C-11 for honourable senators' consideration. The Canada Transportation Act includes a statement on national transportation policy. It will modernize and simplify the present policy statement, but most important, it will add security and sustainable development to the policy principles that should govern the regulation of transportation in Canada. These days, both national security and environmental responsibility are fundamental principles that transportation would benefit from immensely.

Bill C-11 will make changes related to the agency itself, which, as an independent, quasi-judicial body that administers the provisions of the act, will see its circumstances improved and efficiency substantially advanced. The number of members of the agency would be reduced from seven to five. Members would be required to reside in the National Capital Region, a requirement that exists for a number of other judicial or quasi-judicial bodies such as the Supreme Court of Canada, the Federal Court, the CRTC and other such organizations.

The government supports alternative dispute resolution processes rather than relying solely on regulatory remedies. As such, the agency will, by Bill C-11, be given the authority to conduct mediation on matters that fall within its jurisdiction and to provide mediation and arbitration services for railway matters under commercial processes if all parties agree.

The time frame for completing a statutory review of the act will be increased from five years to eight, which is a far better cycle in terms of the rapidity with which changes take place and the implementation of change as required. There will be improvements to the data collection and reporting provisions. The minister will be authorized to collect data related to security in order to facilitate the development of policies and programs.

The annual reports from the minister on the transportation sector will be simplified and focus on an overview of the transportation system. A comprehensive report will be provided under the provision of this legislation every five years.

There is an important change with respect to proposed mergers. The existing merger provisions related to airlines will be extended to other modes, including rail, to permit the minister, if necessary, to appoint someone to conduct a review of the public interest issues for large mergers or acquisitions. Up until this point, the

Competition Bureau has assessed the competition implications. However, there has been no clear statement of what the public interest may be in a merger between company A and company B. This act will provide the minister and the agency with some options to assert the public interest, certainly something we can agree to on a bipartisan basis on both sides of this house.

There will also be a provision in the CTA that allows the railways to appoint railway police. That provision has been there for some time. What this legislation will do is move that provision over to the Railway Safety Act and, for the very first time, because of how that act is regulated, add a civilian oversight for the railway police. That will give citizens and others who come into contact with the railway police, as well as civilian authorities unrelated to the railways, the capacity to seek civilian oversight and review should matters so require.

Bill C-11 also aims to provide greater transparency of air fares for Canadian travellers. The new provisions in the bill authorize the agency to make regulations to ensure that the advertising of prices for air services indicates sufficient information so the consumer can actually make an informed choice. For instance, the regulations would require that such business costs and surcharges as the fuel, insurance, Nav Canada costs be included in the advertised price and that any fees, charges and taxes collected by an airline on behalf of other parties also be clearly identified for the purchaser of the air service.

For example, the price indicated for Toronto-Montreal, \$185, may actually end up being \$270 by the time the individual has paid for the ticket. Finally, we get to the notion where the real price has to be displayed *ab initio*, at the outset, so consumers can be well informed and make their own choices accordingly.

The role and functions of the Air Travel Complaints Commissioner will be integrated into the agency's regular business. The agency will still continue to work to achieve solutions to complaints in a way that is fair to all those involved in the process. The agency's reports on air travel complaints will be improved, providing for greater transparency. As part of its annual reporting function, the agency will now have to indicate the number and nature of the complaints filed with the agency, the names of the carriers against whom the complaints were made, the manner in which the complaints were dealt with, and the systemic trends observed relating to consumer complaints. This in and of itself will become a constructive and creative market pressure to improve performance and service for the Canadian travelling public.

Bill C-11 also contains a number of provisions that will improve commuter rail service and urban transit. A new dispute resolution process will allow the agency to adjudicate disputes between commuter rail operators and the main line carriers over whose tracks they operate. This will improve the commuter operator's leverage in their commercial negotiations with the main line carriers and should lead to improved service, lower access fees and improved on-time arrival and departure.

Those of us who were involved in provincial government will recall that when provinces such as Ontario sought to put on commuter services to run from places like Peterborough and elsewhere to the city — the same thing with Montreal — they always had great difficulty with the people who owned the rail

lines with respect to rates, access, getting some regularity and not being set aside for the passing freight, turning individual passengers' schedules to dust because of the conditions under which those contracts were signed.

There will be an obligation in this act for contracts between publicly-funded passenger service providers and main line railways to be made public for all Canadians to see. This will help taxpayers to better understand and scrutinize the arrangements that are made. This level of transparency will be of immense value to passenger rail service so vital to an environmentally responsible intercity transit system in this country.

The railway line transfer and discontinuance provisions are being amended to facilitate the transfer of valuable urban rail corridors and stations for other public transportation purposes. This could be of significant benefit to commuter rail operators and public transit service providers.

Finally, the provisions regulating the maximum revenues Canadian National Railway and Canadian Pacific Railway can earn from regulated grain movements will be amended to provide for an adjustment related to the maintenance of government hopper cars. This includes a one-time adjustment that is expected to save our farmers an average of \$2 per tonne or \$50 million per year.

Honourable senators, many of the witnesses who appeared before the House committee strongly supported the bill and encouraged committee members to deal with it as expeditiously as possible. Some witnesses asked for improvements to the bill. The committee made a number of valuable amendments in response to these requests. As a result, I believe the bill will have a broad range of support from all stakeholders.

Stakeholders have been patiently waiting for this bill to become law. It has been well over five years since consultations started. I look forward to support from members on all sides. I urge honourable senators to proceed as expeditiously as possible with respect to passage of this legislation.

• (1550)

Hon. Leonard J. Gustafson: Seventy-five per cent of the railroad business is hauling grain. There is no question that from Moose Jaw, Saskatchewan or central Saskatchewan it costs \$1.70 a bushel to move the grain to the West Coast.

Ever since the Crow Rate was stopped, farmers have lost at least \$1 a bushel for moving grain and have put agriculture in an unprofitable position.

The honourable senator spoke of allowing mergers. If the CPR and the CNR were to merge, of course all competition would be removed. Does the honourable senator think that is a good thing?

Senator Segal: I defer to the honourable senator with respect to all matters with respect to grain movement, the growing of grain, the harvesting of grain, the shipping of grain, the pricing of grain, but not the consumption of grain. This bill is very important for the honourable senator's concern. Should two companies in a dominant position decide to merge, under the present law the only

issue that government could engage on would be the competition issue with respect to whether or not there was some combines activity with respect to related commercial cooperation in a way that reduces choice.

This act now provides for the government of the day to act on the issue of public interest so as to ask specifically the questions that the honourable senator underlines before allowing the merger to take place.

What will this do to the choices that the co-ops and others have with respect to the shipment of grain? What will it do with respect to the competition relative to spur lines and the availability of smaller trains for some regions that get left out when the trains are only of a certain length?

Moreover, in a search for the first time, there are more things at play than just commercial competition when this sort of merger is contemplated. Her Majesty should have the right to press those issues.

On motion of Senator Zimmer, debate adjourned.

[Translation]

STUDY ON OPERATION OF OFFICIAL LANGUAGES ACT AND RELEVANT REGULATIONS, DIRECTIVES AND REPORTS

INTERIM REPORT OF OFFICIAL LANGUAGES COMMITTEE AND REQUEST FOR GOVERNMENT RESPONSE ADOPTED

The Senate proceeded to consideration of the fifth report (interim) of the Standing Senate Committee on Official Languages, *Reflecting Canada's Linguistic Duality at the 2010 Olympic and Paralympic Winter Games: A Golden Opportunity*, tabled in the Senate on March 1, 2007.—(Honourable Senator Chaput)

Hon. Maria Chaput: Honourable senators, I move:

That the fifth report of the Standing Senate Committee on Official Languages, *Reflecting Canada's Linguistic Duality at the 2010 Olympic and Paralympic Winter Games: A Golden Opportunity*, tabled in the Senate on March 1, 2007, be adopted and that, pursuant to rule 131(2), the Senate requests that the government provide a complete and detailed response with the Minister for the Vancouver-Whistler Olympics, the Minister of Official Languages and the Minister of Canadian Heritage responsible for the response to the report.

She said: Honourable senators, early in this 39th Parliament, the Standing Senate Committee on Official Languages carried out a study on the consideration of the official languages in the organization of the 2010 Olympic and Paralympic Winter Games in Vancouver and Whistler, British Columbia.

There are a number of partners involved in this event: the Government of Canada, the Province of British Columbia, the Canadian Olympic Committee, the Canadian Paralympic Committee, the Organizing Committee for the 2010 Olympic and

Paralympic Winter Games in Vancouver (VANOC), the Municipality of Whistler, the City of Vancouver and the Four Host First Nations Society.

One of the goals of the committee's study was to identify the preferred methods used by the various partners in planning the Games and to identify the Government of Canada's preferred methods for promoting British Columbia's French-language community at this major event.

The committee finds that the 2010 Games provide an ideal opportunity for Canada to promote its linguistic duality throughout the country and abroad and to promote British Columbia's French-language community. With only three years to go, the committee reminded all partners of the importance of reflecting Canada's linguistic duality during these activities and that Canada cannot miss this golden opportunity.

We firmly intend to re-examine the progress made before the Games are held. Accordingly, the committee is committed to closely monitoring the progress made by all partners. I sincerely thank the members of the Standing Senate Committee on Official Languages for their dedication and commitment.

The Hon. the Speaker: Are honourable senators ready for the question on adoption of the report?

Hon. Senators: Agreed.

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

Motion agreed to and report adopted.

[English]

STUDY ON ISSUES RELATING TO FISCAL BALANCES AMONG ORDERS OF GOVERNMENT

INTERIM REPORT OF NATIONAL FINANCE COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Day, seconded by the Honourable Senator Phalen, for the adoption of the seventh report (interim) of the Standing Senate Committee on National Finance entitled: *The Horizontal Fiscal Balance: Towards a Principled Approach*, tabled in the Senate on December 12, 2006.
—(Honourable Senator Oliver)

Hon. Joseph A. Day: Honourable senators, I move the adoption of this report.

Motion agreed to and report adopted.

The Senate adjourned until Thursday, March 22, 2007, at 1:30 p.m.

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