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(HANSARD)

**Thursday, November 20, 2008**



THE HONOURABLE NOËL A. KINSELLA  
SPEAKER

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## THE SENATE

Thursday, November 20, 2008

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

Prayers.

### FALLEN SOLDIERS

#### SILENT TRIBUTE

**The Hon. the Speaker:** Honourable senators, before we proceed, I would ask senators to rise and observe one minute of silence in memory of Corporal Brendan Anthony Downey, Private Colin William Wilmot, Corporal James (Jim) Hayward Arnal, Master Corporal Joshua Brian Roberts, Master Corporal Erin Doyle, Sergeant Shawn Eades, Sapper Stephan Stock, Corporal Dustin Wasden, Corporal Andrew Paul Grenon, Corporal Michael James Alexander Seggie, Private Chadwick James Horn and Sergeant Prescott Shipway, whose tragic deaths occurred over the summer while serving their country in Afghanistan, as well as Captain Bryan Mitchell and Sergeant Charles “Chuck” Senecal, killed during a formation photo flight in Moose Jaw, Saskatchewan, and Major Luc Racine, who died in Bamako, Mali.

*Honourable senators then stood in silent tribute.*

• (1405)

### VISITORS IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I take this opportunity to draw your attention to the presence in the gallery of a delegation from the Provincial People’s Congress Committee of the People’s Republic of China.

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

## SENATORS’ STATEMENTS

### FORTIETH PARLIAMENT

#### WELCOMING AND CONGRATULATORY REMARKS

**Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)):** Honourable senators, it is indeed a pleasure to be back in the Senate Chamber and to see so many colleagues on both sides of this house today. I am also honoured personally as the Prime Minister has once again entrusted me with the position of Leader of the Government in the Senate and Minister of State (Seniors).

Your Honour, please accept my warmest wishes and those from all of us upon your resumption as Speaker. I am sure that all honourable senators will join me in welcoming you back to the

Speaker’s chair that you so ably occupy on behalf of all of us. I can think of few, if any, others who have brought so many talents and skills to your high office.

I am also delighted that Senator Comeau, Senator Stratton and Senator Tkachuk will be returning to their important roles within the government leadership in this chamber as deputy leader, whip and caucus chair. I am indeed fortunate to work with such a creative and capable leadership team, and I sincerely appreciate their help and support.

I wish to express my sincere congratulations to Senator Cowan, who takes over as Leader of the Opposition in the Senate. I am sure he will discharge his duties with the dignity and candour that he is known for among all members of this chamber.

Similarly, I wish to offer my best wishes to Senator Tardif as she continues in her role as Deputy Leader of the Opposition and to Senator Munson, my fellow traveller in the recent campaign, though on different sides, of course, who takes over as Opposition Whip. Senator Munson, having served as Opposition Whip prior to becoming Leader of the Government in the Senate, I can well understand the challenges that you face on a daily basis. My office is always open if you want a shoulder to cry on.

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

**Senator LeBreton:** The office space is very nice, which is a sort of compensation.

As we enter the First Session of the Fortieth Parliament since Confederation, we all know we are faced with changing and challenging times. Canadians have faced these situations before and have never shied away from them, and I sincerely hope that all honourable senators and our chamber will move forward in a constructive and productive manner in the coming session.

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

**Hon. James S. Cowan (Leader of the Opposition):** Honourable senators, I join the Leader of the Government in the Senate in extending my congratulations and, as well, appreciation to our Speaker as he continues to serve as the presiding officer of this chamber. I wish him wisdom, good judgment and a healthy dose of patience as we resume our deliberations. I know he will discharge his responsibilities with fairness and impartiality in the great tradition of his predecessors.

• (1410)

I congratulate Senator LeBreton, Senator Comeau and Senator Stratton as they continue to serve their government in their leadership roles. We look forward to working with them in the spirit of cooperation as we try to help this country in a very difficult time. I want personally to thank my friend Senator Stratton for his cooperation when, as whips, we navigated

through some difficult issues during the last session. I am sure he will extend the same cooperation to Senator Munson as he did to me.

I am delighted that my friend Senator Tardif has agreed to continue to serve as our deputy leader. All of us on this side, and I suspect throughout the house, admire the hard work and legislative skills she brought to her office during the last Parliament and on which I will be relying heavily in this Parliament.

I am pleased that Senator Munson has agreed to take over for me as whip. He was an excellent caucus chair for us in the last Parliament. He earned our complete respect, and I know he will maintain the same high standards as whip.

I also want to take a moment to express my appreciation to my predecessor, Senator Hervieux-Payette, for her work as our leader in the last Parliament. As her former whip, I saw firsthand her dedication to Canadians and to the proud traditions of this chamber. She calls issues as she sees them — not because they are popular — but because in her view they are the right positions. Her position on the seal hunt is a good example of that. I know the honourable senator will continue to devote her formidable talents and energy to defending the rights and interests of Canadians, and I look forward to working with her closely as a member of our caucus.

In closing, I note that Senator LeBreton welcomed us all back here again after a few months off, but I want particularly to make note of the fact that Senator Prud'homme, Senator Poulin and Senator Atkins are back after having had some health challenges.

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

**Senator Cowan:** In their own ways, I know that each of them has injected a level of calmness and good sense into sometimes raucous debates in the past. We shall look for their moderating influence in the months to come.

### HIS HIGHNESS THE AGA KHAN

#### CONGRATULATIONS ON GOLDEN JUBILEE

**Hon. Mobina S.B. Jaffer:** Honourable senators, as many of you are aware, His Highness the Aga Khan, a great friend of Canada, was welcomed to our shores on Tuesday by Ministers Baird and Kenney. This visit is part of a celebration that marks His Highness' fiftieth year as the imam of the Ismaili community. Fifty years ago, at the age of 20, the Aga Khan succeeded his grandfather, Sir Sultan Mahomed Shah Aga Khan, as the forty-ninth hereditary imam, spiritual leader, of the Shia Ismaili Muslims. The Aga Khan leads a community of 50 million Ismaili Muslims living in some 25 countries. He is the direct descendant of the Prophet Muhammad, may peace be upon him and his family, through his first cousin and son-in-law, the first imam and his wife Fatima, the Prophet's daughter.

In keeping with the Shia tradition of Islam, the mandate of the imam extends to both spiritual and worldly matters. Since assuming the office of the imamate in 1957, Prince Karim Aga Khan has honoured his grandfather's concern for the well-being

of the Ismaili community, the wider Muslim community and those amongst whom they live. He has emphasized Islam as a thinking, spiritual faith that teaches compassion and tolerance and upholds the dignity of mankind.

In this golden jubilee of His Highness, the community has begun to launch new social, cultural and economic development projects. In keeping with the ethics of the faith, these projects aspire to improve the quality of life for the most vulnerable in society. These new golden jubilee initiatives join current projects as part of the Aga Khan Development Network, AKDN, which is a group of agencies with mandates ranging from health and education to architecture, microfinance, disaster reduction, rural development and the promotion of private sector enterprise and revitalization of historic cities, all of which are catalysts for development. Guided by the Islamic ethic of compassion for those less fortunate, the AKDN works for the common good of all citizens regardless of their gender, origin or religion.

The AKDN spends in excess of US\$320 million annually on social and cultural development activities. It operates more than 200 health care institutions, including 9 hospitals and over 300 schools in the developing world. AKDN is one of CIDA's most important partners as Canada aims to improve the lives of others around the world.

• (1415)

On a personal note, honourable senators, I am very much aware that I am in this place because of the education that the Aga Khan personally provided to me. Today I take the opportunity on the auspicious occasion of his golden jubilee to thank him for enriching my life.

Honourable senators, I know you will join me in wishing His Highness the Aga Khan and Canadian Ismailis a most wonderful visit and celebration.

### UKRAINIAN FAMINE AND GENOCIDE

**Hon. Consiglio Di Nino:** Honourable senators, during a state visit to Canada of Ukraine's President Viktor Yushchenko at the end of May 2008, the Parliament of Canada fast-tracked legislation that established November 22 as the official day of remembrance for the Ukrainian famine and genocide. It followed a motion passed by the Senate in 2003 on the same issue, and Canada joined other nations around the world who have also done the same. It has been 75 years since the Stalinist government of the Soviet Union deliberately starved millions of peasants who were resisting the forced collectivization of their farms.

The words "famine" and "genocide," however, fail to convey the nature of this horrific and entirely preventable event. *Holodomor*, the Ukrainian term, more aptly describes the active and calculated measure of "murder by hunger," which killed approximately 25 per cent of the Ukrainian population by 1933. The *Holodomor* was not just a tragedy for Ukraine; it was a tragedy for the world, indeed, for all of mankind.

As we remember the unfortunate victims of this atrocity, we must also remember our role as parliamentarians and as government. We must continue to uphold and protect those principles and norms of how states are expected to treat their

citizens. The drive to push a country ahead should never come at the cost of the lives of its citizenry. We must continue to hold accountable those states which mistreat their citizens. Something this horrific must never happen again.

*Bil'sh nikoly*; never again.

Yet, as I express this wish, that never again should such horror happen, I am not comforted. For, since that time and to today, a number of similar atrocities have occurred and indeed are occurring around the world. I am truly saddened by the thought that humans are capable, even in today's learned time, of committing such inhumane atrocities against one another. This is not just a day to recall the horrible events in the Ukraine during the 1930s but to remember that we have not yet come far enough in preventing such acts.

### NATIONAL CHILD DAY

**Hon. Terry M. Mercer:** Honourable senators, today is National Child Day. As in previous years, my colleague Senator Munson and I will host an event in this chamber on Monday, welcoming over 200 school children to celebrate their day. We are happy this year to have Senator Cochrane helping us to organize this event.

Landon Pearson, a former senator and Special Advisor on Children's Rights, started these events involving music, theatre, spoken word and humour. We have kept the tradition alive.

This year, honourable senators, we will hear from a variety of children, including Becka deHaan, a young singer from New Brunswick who has been blind most of her life, and a group of Inuit who will be throat singing.

However, that is only a sample of the day's events. The day provides an opportunity for us, as senators, to promote what we do in the Senate. It is how we can highlight the Senate to young people by ensuring that they respect what we do and how we do it.

Honourable senators, National Child Day commemorates the adoption of the Convention on the Rights of the Child by the United Nations General Assembly on November 20, 1989. Canada ratified that convention in December 1991.

Opportunities like this event are when we get to do special things like open the doors of the Senate to young people who are the future of Canada.

• (1420)

Honourable senators, you will notice I am wearing a blue ribbon to commemorate National Child Day. Pat Hogan, a child care worker from a preschool in Dartmouth, Nova Scotia, made these ribbons and distributed them in conjunction with her member of Parliament, Michael Savage, so that we can all show our support in a special way.

Another way we highlight this day is through our theme. This year's theme is "Striving for Success." We can only hope that what we do here in this place will inspire all children to do just that.

### UNITED STATES PRESIDENT-ELECT BARACK OBAMA

**Hon. Donald H. Oliver:** Honourable senators, on November 4, 2008, the world changed, and it changed for the better. That was the day when the first-term, 47-year-old Black senator of Illinois won the hearts of Americans and the keys to the White House. President-elect Barack Obama, who has become one of the most influential and compelling voices in American politics, will, in January 2009, be confirmed as president of the most powerful democracy in the world.

On November 4, the eyes of the globe watched in astonishment and in hope as Americans elected the first Black president in its history. Like countless other Blacks across the U.S., Canada and, indeed, around the world, my eyes welled up with tears of jubilation in the late hours of November 4 when Barack Obama was elected the forty-fourth President of the United States. Against all odds and in a long and contentious struggle, he broke through the great divide with dignity, intelligence and determination, and because of what the people did on this date, in this election, at this defining moment, change has come to America.

How did he do it, and what should it mean to us in Canada?

He wrote about the process in his book, *The Audacity of Hope*. He called for a new kind of politics, politics that builds on those shared understandings that pulls the Americans together as people. Obama reached out to youth, Hispanics and first-time voters as he rolled out his new idea of politics.

Colin Powell, former Republican Secretary of State, decided to vote for Democrat Obama because, as he said, "This is the time for outreach." He also said that the next president would have to "reach out and show the world there is a new administration that is willing to reach out." As Powell said in an October 19 interview, "I think we need a generational change."

Change is exactly what President-elect Obama represented as he campaigned throughout the United States. Rather than dividing, Mr. Obama successfully united the American people by capturing the feelings of the young people of America and reaching out in a more diverse, inclusive way across the society. He made this election about the American people, young and old, Black and White, rich and poor, and all their needs, and about restoring the U.S.A.'s prestige around the world.

Barack Obama's campaign of hope and change resonated with a record number of voters, receiving an overwhelming response from the American people. He is the first Democrat in over 30 years to receive more than 50 per cent of the popular vote. Together, over 65 million Americans joined their voices to Barack Obama's and they stated, "Yes, we can."

With over 133 million Americans voting, the 2008 U.S. election saw the highest voter turnout in almost 50 years, with approximately 62 per cent of the electorate making their way through long waiting lines. The Democrats won 365 electoral votes, nearly 100 more than the minimum required to become president, and they also made a 20-seat increase in the House of Representatives, making their majority even stronger.

In conclusion, honourable senators, as I wrote in an opinion piece in the *Chronicle-Herald* this past Saturday, my personal hope is that this achievement moves Canadians to acknowledge their own prejudices and to become more openly receptive to the power of Black leadership. More important, I hope it inspires more young Black people in Canada to take up the cause of equality. As Mr. Obama so eloquently put it in his acceptance speech, “This victory alone is not the change we seek — it is only the chance for us to make that change. And that cannot happen if we go back to the way things were. It cannot happen without you.”

[Translation]

**Hon. Pierre De Bané:** Honourable senators, I completely agree with what Senator Oliver said. Barack Obama’s election as President of the United States is one of the most important events I have witnessed since I became a member of this honourable chamber. What this man has inspired throughout the world is extraordinary.

Hundreds of thousands of people rushed out to hear him in Germany, France and England, many more than the political leaders of those countries could attract. That shows how much this man truly lives up to the high expectations put on a country’s political leader.

• (1425)

And in the United States — where for six years all the important political figures stood with the other Democratic candidate — we can see how he was able to inspire a whole country with the power of his ideas.

[English]

I would like to say to my esteemed colleague Senator Oliver how much of what he said is on point. President-elect Obama will bring the promised changes to which his country aspires, while the entire world is watching.

[Translation]

## ROUTINE PROCEEDINGS

### BUSINESS OF THE SENATE

#### NOTICE OF MOTION TO CHANGE COMMENCEMENT TIME ON WEDNESDAYS AND THURSDAYS AND TO EFFECT WEDNESDAY ADJOURNMENTS

**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, for the remainder of the current session,

- (a) when the Senate sits on a Wednesday or a Thursday, it shall sit at 1:30 p.m. notwithstanding rule 5(1)(a);

- (b) when the Senate sits on a Wednesday, it stand adjourned at 4 p.m., unless it has been suspended for the purpose of taking a deferred vote or has earlier adjourned; and

- (c) when a vote is deferred until 5:30 p.m. on a Wednesday, the Speaker shall interrupt the proceedings, immediately prior to any adjournment but no later than 4 p.m., to suspend the sitting until 5:30 p.m. for the taking of the deferred vote, and that committees be authorized to meet during the period that the sitting is suspended.

[English]

### BANKRUPTCY AND INSOLVENCY ACT

#### BILL TO AMEND—FIRST READING

**Hon. Yoine Goldstein** presented Bill S-201, An Act to amend the Bankruptcy and Insolvency Act (student loans).

Bill read first time.

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

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

### ANTI-SPAM BILL

#### FIRST READING

**Hon. Yoine Goldstein** presented Bill S-202, An Act respecting commercial electronic messages.

Bill read first time.

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

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

• (1430)

### EMPLOYMENT INSURANCE ACT

#### BILL TO AMEND—FIRST READING

**Hon. Sharon Carstairs** presented Bill S-203, An Act to amend the Employment Insurance Act (foreign postings).

Bill read first time.

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

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

**LIBRARY AND ARCHIVES OF CANADA ACT****BILL TO AMEND—FIRST READING**

**Hon. Jeremiah S. Grafstein** presented Bill S-204, An Act to amend the Library and Archives of Canada Act (National Portrait Gallery).

Bill read first time.

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

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

**CRIMINAL CODE****BILL TO AMEND—FIRST READING**

**Hon. Jeremiah S. Grafstein** presented Bill S-205, An Act to amend the Criminal Code (suicide bombings).

Bill read first time.

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

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

**FOOD AND DRUGS ACT****BILL TO AMEND—FIRST READING**

**Hon. Jeremiah S. Grafstein** presented Bill S-206, An Act to amend the Food and Drugs Act (clean drinking water).

Bill read first time.

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

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

**DRINKING WATER SOURCES BILL****FIRST READING**

**Hon. Jeremiah S. Grafstein** presented Bill S-207, An Act to require the Minister of the Environment to establish, in co-operation with the provinces, an agency with the power to identify and protect Canada's watersheds that will constitute sources of drinking water in the future.

Bill read first time.

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

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

**CANADA SECURITIES BILL****FIRST READING**

**Hon. Jeremiah S. Grafstein** presented Bill S-208, An Act to regulate securities and to provide for a single securities commission for Canada.

Bill read first time.

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

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

**MUNICIPAL MODERNIZATION AND BUSINESS DEVELOPMENT BANK OF CANADA BILL****BILL TO AMEND—FIRST READING**

**Hon. Jeremiah S. Grafstein** presented Bill S-209, An Act to amend the Business Development Bank of Canada Act (municipal infrastructure bonds) and to make a consequential amendment to another Act.

Bill read first time.

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

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

**NATIONAL PHILANTHROPY DAY BILL****FIRST READING**

**Hon. Jeremiah S. Grafstein** presented Bill S-210, An Act respecting a National Philanthropy Day.

Bill read first time.

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

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

• (1435)

**CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999****BILL TO AMEND—FIRST READING**

**Hon. Tommy Banks** presented Bill S-211, An Act to amend the Canadian Environmental Protection Act, 1999.

Bill read first time.

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

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



## CONSTITUTION ACT, 1867

### BILL TO AMEND—FIRST READING

**Hon. Tommy Banks** presented Bill S-212, An Act to amend the Constitution Act, 1867 (Property qualifications of Senators).

Bill read first time.

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

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

## WORLD AUTISM AWARENESS DAY BILL

### FIRST READING

**Hon. Jim Munson** presented Bill S-213, An Act respecting World Autism Awareness Day.

Bill read first time.

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

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

## CONSTITUTION ACT, 1867

### NOTICE OF MOTION TO AMEND REAL PROPERTY PROVISIONS FOR SENATORS

**Hon. Tommy Banks:** Honourable senators, I give notice that on Tuesday, November 25, 2008, I will move:

Whereas in the 1st Session of the 40th Parliament, a bill has been introduced in the Senate to amend the Constitution of Canada by repealing the provision that requires that a person, in order to qualify for appointment to the Senate and to maintain their place in the Senate after being appointed, own land with a net worth of at least \$4,000 within the province for which he or she is appointed;

Whereas a related provision of the Constitution makes reference, in respect of the province of Quebec, to the real property qualifications that is proposed to be repealed;

Whereas in respect of a Senator who represents Quebec, the real property qualification must be had in the electoral division for which the Senator is appointed or the Senator must be resident in that division;

Whereas the division of Quebec into 24 electoral divisions, corresponding to the 24 seats in the former Legislative Council of Quebec, reflects the historic boundaries of Lower Canada and no longer reflects the full territorial limits of the province of Quebec;

And whereas section 43 of the *Constitution Act, 1982*, provides that an amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by resolutions of the Senate and the House of Commons and the legislative assembly of each province to which the amendment applies;

Now, therefore, the Senate resolves that an amendment to the Constitution of Canada be authorized to be made by proclamation issued by Her Excellency the Governor General of Canada under the Great Seal of Canada in accordance with the schedule hereto.

### SCHEDULE AMENDMENT TO THE CONSTITUTION OF CANADA

**1. Section 22 of the *Constitution Act, 1867* is amended by striking out the second paragraph of that section, beginning with “In the Case of Quebec” and ending with “the Consolidated Statutes of Canada.”.**

**2.(1) Paragraph (5) of Section 23 of the Act is replaced by the following:**

(5) He shall be resident in the Province for which he is appointed.

**(2) Paragraph (6) of Section 23 of the Act is repealed.**

**3. This Amendment may be cited as the *Constitution Amendment, [year of proclamation] (Quebec: electoral divisions and real property qualifications of Senators)*.**

• (1440)

## THE SENATE

### NOTICE OF MOTION TO STRIKE SPECIAL COMMITTEE ON AGING

**Hon. Sharon Carstairs:** Honourable senators, with leave of the Senate and notwithstanding rule 57(1)(d), I give notice that later this day I will move:

That a Special Committee of the Senate be appointed to examine and report on the implications of an aging society in Canada;

That, notwithstanding rule 85(1)(b), the Committee be comprised of seven members, namely the Honourable Senators Carstairs, P.C., Chaput, Cools, Cordy, Keon, Mercer and Stratton, and that three members constitute a quorum;

That the Committee examine the issue of aging in our society in relation to, but not limited to:

[*Translation*]

- promoting active living and well being;
- housing and transportation needs;

- financial security and retirement;
- abuse and neglect;
- health promotion and prevention; and
- health care needs, including chronic diseases, medication use, mental health, palliative care, home care and caregiving;

[English]

That the Committee review public programs and services for seniors, the gaps that exist in meeting the needs of seniors, and the implications for future service delivery as the population ages;

That the Committee review strategies on aging implemented in other countries;

That the Committee review Canada's role and obligations in light of the 2002 Madrid International Plan of Action on Ageing;

That the Committee consider the appropriate role of the federal government in helping Canadians age well;

That the Committee have power to send for persons, papers and records; to examine witnesses; to report from time to time and to print such papers and evidence from day to day as may be ordered by the committee;

[Translation]

That the Committee be authorized to permit coverage by electronic media of its public proceedings with the least possible disruption of its hearings;

[English]

That, pursuant to rule 95(3)(a), the Committee be authorized to meet during the periods that the Senate stands adjourned for a period exceeding one week;

[Translation]

That the papers and evidence received and taken and work accomplished by the Committee on this subject during the First Session of the Thirty-ninth Parliament and the Second Session of the Thirty-ninth Parliament be referred to the Committee; and

[English]

That the Committee submit its final report no later than March 31, 2009, and that the Committee retain all powers necessary to publicize its findings until 90 days after the tabling of the final report.

**The Hon. the Speaker:** Honourable senators, is leave granted?

**An Hon. Senator:** No.

**The Hon. the Speaker:** Leave is not granted so we will take it as Notice of Motion.

[ Senator Carstairs ]

## ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE PARLIAMENTARY ASSEMBLY

### NOTICE OF MOTION TO SUPPORT RESOLUTION ON MEDITERRANEAN FREE TRADE AREA

**Hon. Jeremiah S. Grafstein:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Senate endorse the following Resolution, adopted by the OSCE Parliamentary Assembly at its 17th Annual Session, held at Astana, Kazakhstan, from June 29 to July 3, 2008:

### RESOLUTION ON A MEDITERRANEAN FREE TRADE AREA

1. Reiterating the fundamental importance of the economic and environmental aspects of the OSCE concept of security,
2. Recognizing that without economic growth there can be no peace or stability,
3. Recalling the importance that the OSCE Parliamentary Assembly accords to the development of international trade, as underlined by the Assembly's fifth economic conference on the theme of *Strengthening Stability and Co-operation through International Trade*, which was held in Andorra, in May 2007,
4. Maintaining that creating a free trade area will, inter alia, contribute significantly to the efforts to achieve peace,
5. Recalling that the European Union itself was made possible by the establishment of free-trade areas, first the European Coal and Steel Community in 1951 and then the European Economic Community in 1957,
6. Recalling the Helsinki Final Act of 1975, in which OSCE participating States expressed their intention "to encourage with the non-participating Mediterranean States the development of mutually beneficial co-operation in the various fields of economic activity" and to "contribute to a diversified development of the economies of the non-participating Mediterranean countries",
7. Recalling the Helsinki Final Act, in which OSCE participating States recognized "the importance of bilateral and multilateral intergovernmental and other agreements for the long-term development of trade" and undertook "to reduce or progressively eliminate all kinds of obstacles to the development of trade",
8. Celebrating the decision made at the OSCE Summit in Budapest in 1994 to create a Contact Group with Mediterranean Partners for Cooperation,
9. Expressing support for the Barcelona Declaration of 1995 regarding the establishment of a free trade area between the members of the European Union and all Mediterranean states by 2010,

10. Saluting the American Middle East Free Trade Area Initiative (MEFTA) launched in 2003,
11. Concerned by the slow pace of economic development in the Middle East, especially in the agriculture sector and the knowledge-based economy, where two-thirds of the population is under the age of 35,
12. Considering the obstacles to economic growth posed by agricultural trade and tariff barriers, as discussed at the OSCE Parliamentary Assembly meeting in Rhodes in 2004,
13. Considering the lack of direct foreign investment in Middle Eastern Arab countries and the concentration of such investment in a small number of these countries,
14. Noting that despite the efforts made in the Middle East to stimulate free trade, economic growth in Mediterranean countries is markedly stronger in the Israel-Europe-North America axis than among countries in the region, and
15. Encouraged by the increased literacy rate and the increased participation of women in the domestic economies of countries in the Mediterranean basin,

The OSCE Parliamentary Assembly:

16. Recommends the creation of a Mediterranean Economic Commission whose objective would be to quickly reduce trade barriers and facilitate the transition to a knowledge-based economy in countries in the region;
17. Recommends the creation of a Mediterranean Agricultural Marketing Board whose objective would be to create jobs in the agriculture sector for young people in the region;
18. Invites OSCE participating countries and partner states for co-operation to intensify their efforts under the Barcelona Process and to more fully benefit from the MEFTA Initiative in order to expedite the establishment of a free-trade area among all Mediterranean countries.

NOTICE OF MOTION TO SUPPORT RESOLUTION  
ON EXPANDING TRADE BETWEEN  
NORTH AMERICA AND EUROPE

**Hon. Jeremiah S. Grafstein:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Senate endorse the following Resolution, adopted by the OSCE Parliamentary Assembly at its 17th Annual Session, held at Astana, Kazakhstan, from June 29 to July 3, 2008:

RESOLUTION ON EXPANDING TRADE  
BETWEEN NORTH AMERICA AND EUROPE

1. Reaffirming the importance of trade for economic growth, political stability and international peace,

2. Recalling the fundamental importance of the economic and environmental dimension in the OSCE's comprehensive approach to security,
3. Considering that expanded free trade between North American and European markets will benefit all OSCE participating States politically as well as economically,
4. Recalling the commitments made by the participating States at the Maastricht Ministerial Council in December 2003 regarding the liberalization of trade and the elimination of barriers limiting market access,
5. Recalling the recommendations of the 2006 OSCE *Best Practice Guide for a Positive Business and Investment Climate*, published by the Office of the Co-ordinator of OSCE Economic and Environmental Activities, which advocate stronger international trade policies and conditions favourable to the circulation of international capital,
6. Concurring with the conclusions of the Co-ordinator of OSCE Economic and Environmental Activities that free trade agreements and the reduction of tariffs are vital to a strong trade policy,
7. Recalling the importance that the OSCE Parliamentary Assembly accords to the development of international trade as underlined by the Assembly's Fifth Economic Conference on the theme of "Strengthening Stability and Co-operation through International Trade" held in Andorra in May 2007,
8. Recalling the deep historical and cultural ties between the peoples and states of North America and Europe which shaped their common values, on which the OSCE is based, and which are reinforced by the strength of their economic links,
9. Recognizing the considerable impact that the economies of North America and Europe have on international trade,
10. Considering the increasingly interdependent nature of the economic links between North America and Europe,
11. Noting the scope and depth of trade between North America and Europe which benefits public accounts and the private sector in addition to generating opportunities for employment,
12. Welcoming recently signed agreements that promote greater and freer trade between a limited number of markets in North America and Europe, such as the January 2008 Free Trade Agreement between Canada and the European Free Trade Association,
13. Acknowledging the appeal of the emerging markets in Asia and South America, whose growth will generate new levels of competition and economic efficiencies for trade between North America and Europe,

14. Concerned with the persistence of trade barriers in the economic relations between North America and Europe which limit opportunities for greater economic growth and human development,
15. Concerned with the state of the Doha Round of negotiations at the World Trade Organization which is affecting inter-regional trade negotiations such as the Canada-European Union Trade and Investment Enhancement Agreement suspended since 2006,

The OSCE Parliamentary Assembly:

16. Resolves that seminars and conferences to raise awareness of the opportunities and shared benefits of trade liberalization should be considered;
17. Calls on the parliaments of the OSCE participating States to vigorously support and accelerate all multilateral, inter-institutional and bilateral initiatives that promote the liberalization of trade between North America and Europe, including the harmonization of standards and the elimination of regulatory barriers;
18. Calls on the parliaments of the OSCE participating States to sustain the political will of their governments as members of existing economic agreements, including the North American Free Trade Agreement, the European Union, the European Free Trade Association and the Central European Free Trade Agreement, to develop transatlantic partnership agreements that expand and liberalise trade between and among them;
19. Recommends that current and future initiatives that target expanded trade between the economies of North America and Europe consider greater involvement where appropriate of regional and subregional governments and groupings;
20. Recommends that current and future initiatives that target expanded trade between the economies of North America and Europe reflect the principles and standards of the OSCE, particularly human rights, environmental protection, sustainable development and economic and social rights, including workers' rights, as agreed to in the 1990 Document of the Bonn Conference on *Economic Co-operation in Europe*, the 1990 Document of the Copenhagen Meeting of the Conference on the *Human Dimension of the CSCE* and the 1990 *Charter of Paris for a New Europe*.

#### NOTICE OF MOTION TO SUPPORT RESOLUTION ON WATER MANAGEMENT IN THE OSCE AREA

**Hon. Jeremiah S. Grafstein:** Honourable senators, I give notice that, at the next sitting of the Senate, I shall move:

That the Senate endorse the following Resolution, adopted by the OSCE Parliamentary Assembly at its 17th Annual Session, held at Astana, Kazakhstan, from June 29 to July 3, 2008:

#### RESOLUTION ON WATER MANAGEMENT IN THE OSCE AREA

1. Reiterating the fundamental importance of the environmental aspects of the OSCE concept of security,
2. Recognizing the link between natural resource problems and disputes or conflicts within and between states,
3. Noting the opportunities presented by resource management initiatives that address common environmental problems, including local ownership and sub-regional programmes and co-operation amongst governments, and which promote peace-building processes,
4. Recalling the OSCE's role in encouraging sustainable environmental policies that promote peace and stability, specifically the 1975 *Helsinki Final Act*, the 1990 *Concluding Document of the CSCE Conference on Economic Co-operation in Europe* (Bonn Document), the 1999 *Charter for European Security* adopted at the Istanbul Summit, the 2003 *OSCE Strategy Document for the Economic and Environmental Dimension* (Maastricht Strategy), other OSCE relevant documents and decisions regarding environmental issues, and the outcome of all previous Economic and Environmental Fora, which have established a basis for the OSCE's work in the area of environment and security,
5. Recognizing that water is of vital importance to human life and that it is an element of the human right to life and dignity,
6. Noting the severity of water management issues and the scarcity of water resources faced by many states in the OSCE region, affected in particular by unregulated social and economic activities, including urban development, industry, and agriculture,
7. Concerned by the impact of poor water management systems on human health, the environment, the sustainability of biodiversity and aquatic and land-based eco-systems, affecting political and socio-economic development,
8. Concerned by the more than 100 million people in the pan-European region who continue to lack access to safe drinking water and adequate sanitation,
9. Concerned by those areas and people in the North American region of the OSCE space without access to safe drinking water and sanitation,
10. Concerned by the potential for water management issues to escalate if options to address and reverse the problem are not duly considered and implemented,
11. Recognizing the importance of good environmental governance and responsible water management for the governments of participating States,

12. Applauding the work of the Preparatory Seminar for the Tenth OSCE Economic Forum which took place in 2001 in Belgrade and which focused on water resource management and the promotion of regional environmental co-operation in South-Eastern Europe,
13. Applauding the work of the 15th OSCE Economic and Environmental Forum and its preparatory meetings, "Key challenges to ensure environmental security and sustainable development in the OSCE area: Water Management," held in Zaragoza, Spain,
14. Applauding the OSCE's *Madrid Declaration on Environment and Security* adopted at the 2007 Ministerial Council which draws attention to water management as an environmental risk which may have a substantial impact on security in the OSCE region and which might be more effectively addressed within the framework of multilateral co-operation,
15. Expressing support for the efforts made to date by several participating States of the OSCE to deal with the problem, including the workshop on water management organized by the OSCE Centre in Almaty in May 2007 for experts from Central Asia and the Caucasus,

The OSCE Parliamentary Assembly:

16. Calls on the OSCE participating States to undertake sound water management to support sustainable environmental policies;
17. Recommends that the OSCE participating States pursue and apply the measures necessary to implement the 2007 *Madrid Declaration on Environment and Security*;
18. Recommends that such water management and oversight activities include national, regional and local co-operative initiatives that share best practices and provide support and assistance amongst each other;
19. Recommends that the OSCE participating States adopt the multiple barrier approach to drinking water protection, with particular attention to water tables, in their national, regional and local regulations to ensure that people living throughout the OSCE space have access to safe drinking water;
20. Recommends that the OSCE participating States consider developing more effective national, sub-national and local results-based, action-oriented and differentiated approaches to sound water management policies;
21. Encourages the OSCE participating States to continue their work with other regional and international institutions and organizations with respect to water management solutions, providing for the establishment of supranational arbitral commissions with decision-making powers delegated by the States.

• (1445)

#### NOTICE OF MOTION TO SUPPORT RESOLUTION ON COMBATING ANTI-SEMITISM

**Hon. Jerahmiel S. Grafstein:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Senate endorse the following Resolution, adopted by the OSCE Parliamentary Assembly at its 17th Annual Session, held at Astana, Kazakhstan, from June 29 to July 3, 2008:

#### RESOLUTION ON COMBATING ANTI-SEMITISM, ESPECIALLY ITS MANIFESTATIONS IN THE MEDIA AND IN ACADEMIA

1. Recalling the Parliamentary Assembly's leadership in increasing the focus and attention of the participating States since the 2002 Annual Session in Berlin on issues related to manifestations of anti-Semitism,
2. Reaffirming especially the 2002 Porto Ministerial Decision condemning "anti-Semitic incidents in the OSCE area, recognizing the role that the existence of anti-Semitism has played throughout history as a major threat to freedom",
3. Referring to the commitments made by the participating States in the previous OSCE conferences in Vienna (2003), Berlin (2004), Brussels (2004) and Cordoba (2005) regarding legal, political and educational efforts to fight anti-Semitism,
4. Welcoming all efforts of the parliaments of the OSCE participating States on combating anti-Semitism, especially the All-Party Parliamentary Inquiry on anti-Semitism in the United Kingdom,
5. Noting with satisfaction all initiatives of the civil society organizations which are active in the field of combating anti-Semitism,
6. Acknowledging that incidents of anti-Semitism occur throughout the OSCE region and are not unique to any one country, which necessitates unwavering steadfastness by all participating States to erase this black mark on human history,

The OSCE Parliamentary Assembly:

7. Appreciates the ongoing work undertaken by the OSCE and ODIHR through its Programme on Tolerance and Non-discrimination and supports the continued organisation of expert meetings on anti-Semitism and other forms of intolerance aimed at enhancing the implementation of relevant OSCE commitments;
8. Appreciates the initiative by Mr John Mann MP (United Kingdom) to create a world-wide Inter-Parliamentary Coalition for Combating Anti-Semitism and encourages the parliaments of the OSCE participating States to support this initiative;

9. Urges participating States to present written reports on their activities to combat anti-Semitism and other forms of discrimination at the 2009 Annual Session;
10. Reminds participating States to improve methods of monitoring and to report anti-Semitic incidents and other hate crimes to the Office for Democratic Institutions and Human Rights (ODIHR) in a timely manner;
11. Recognizes the importance of the ODIHR tools in improving the effectiveness of States' response to anti-Semitism, such as teaching materials on anti-Semitism, the OSCE/ODIHR Law Enforcement Officers Programme (LEOP), which helps police forces within participating States better to identify and combat incitement to anti-Semitism and other hate crimes, and civil society capacity-building to combat anti-Semitism and hate crimes, including through the development of networks and coalitions with Muslim, Roma, African descendent and other communities combating intolerance; and recommends that other States make use of these tools;
12. Expresses appreciation of the commitment by 10 countries — Croatia, Denmark, Germany, Lithuania, the Netherlands, Poland, the Russian Federation, Slovakia, Spain and Ukraine — in co-developing with ODIHR and the Anne Frank House teaching materials on the history of Jews and anti-Semitism in Europe, and encourages all other OSCE participating States to adopt these teaching materials in their respective national languages and put them into practice;
13. Encourages participating States to adopt the guide for educators entitled *Addressing Anti-Semitism — WHY and HOW*, developed by ODIHR in co-operation with Yad Vashem, in their respective national languages and put them into practice;
14. Urges governments to create and employ curricula that go beyond Holocaust education in dealing with Jewish life, history and culture;
15. Condemns continued incidents of anti-Semitic stereotypes appearing in the media, including news reports, news commentaries, as well as published commentaries by readers;
16. Condemns the use of double standards in media coverage of Israel and its role in the Middle East conflict;
17. Calls upon the media to have discussions on the impact of language and imagery on Judaism, anti-Zionism and Israel and its consequences on the interaction between communities in the OSCE participating States;
18. Deplores the continued dissemination of anti-Semitic content via the Internet, including through websites, blogs and email;
19. Urges participating States to increase their efforts to counter the spread of anti-Semitic content, including its dissemination through the Internet, within the framework of their respective national legislation;
20. Urges editors to refrain from publishing anti-Semitic material and to develop a self-regulated code of ethics for dealing with anti-Semitism in media;
21. Calls upon participating States to prevent the distribution of television programmes and other media which promote anti-Semitic views and incite anti-Semitic crimes, including, but not limited to, satellite broadcasting;
22. Reminds participating States of measures to combat the dissemination of racist and anti-Semitic material via the Internet suggested at the 2004 OSCE Meeting on the Relationship between Racist, Xenophobic and Anti-Semitic Propaganda on the Internet and Hate Crimes, that include calls to:
  - pursue complementary parallel strategies,
  - train investigators and prosecutors on how to address bias-motivated crimes on the Internet,
  - support the establishment of programmes to educate children about bias-motivated expression they may encounter on the Internet,
  - promote industry codes of conduct,
  - gather data on the full extent of the distribution of anti-Semitic hate messages on the Internet;
23. Deplores the continued intellectualization of anti-Semitism in academic spheres, particularly through publications and public events at universities;
24. Suggests the preparation of standards and guidelines on academic responsibility to ensure the protection of Jewish and other minority students from harassment, discrimination and abuse in the academic environment;
25. Urges all participants of the upcoming Durban Review Conference in Geneva to make sure that pressing issues of racism around the world will be properly assessed and that the conference will not be misused as a platform for promoting anti-Semitism;
26. Suggests that the delegations of the OSCE participating States hold a meeting on the eve of the Durban Review Conference to discuss and evaluate the Durban Review process.

## QUESTION PERIOD

### FINANCE

#### ECONOMIC DOWNTURN—GOVERNMENT SPENDING

**Hon. James S. Cowan (Leader of the Opposition):** Honourable senators, Canada is entering into some very precarious economic times. We are just beginning to feel the effects, but we know that Canada has had the worst economic growth in the G8 in the first half of this year and the worst productivity growth in 18 years. Only a couple of weeks ago the Prime Minister said he saw this economic downturn coming as early as August 2007. If that is so, why did this government increase federal spending by more than \$40 billion a year, squander a \$13-billion surplus left by the previous Liberal government, eliminate the \$3-billion contingency reserve and, on top of all that, recklessly erode the federal tax base?

**Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)):** Honourable senators, I thank the Leader of the Opposition for his first question as leader. He will not be surprised to learn that I vehemently disagree with the premise of his question. I think the confidence in the government that was shown by the electorate proves that the government is providing responsible fiscal leadership. We have paid down the debt and balanced three consecutive budgets, and Canada's situation is far better than all of the other major industrialized countries.

We all know we are facing an unprecedented global challenge. As has been pointed out on financial pages and by all parties, no one could have forecasted the extent of the global economic downturn. The government will face some tough choices because of that unprecedented downturn.

However, in respect to Senator Cowan's specific question, the fact is that the government felt last fall that, given the housing situation in the United States, we would be facing difficult economic times, and that is exactly why the government took the measures it did last November, to further pay down the debt and provide stimulus to the economy by putting money back into the pockets of the taxpayers and not hoarding it in the government.

**Senator Cowan:** Honourable senators, this government would like to lay the blame for the situation solely on international conditions. The fact is that we have a made-in-Canada Conservative deficit.

This morning the Parliamentary Budget Officer said:

The weak fiscal performance to date is largely attributable to previous policy decisions as opposed to weakened economic conditions.

When will this government realize that it is continuing to take this country in the wrong direction? What concrete actions will it take to help Canadians through these turbulent times?

**Senator LeBreton:** Honourable senators, I am aware of the report delivered this morning by the Parliamentary Budget Officer. That particular office was established by this government as part of the Accountability Act.

• (1450)

However, I hasten to point out that Canada remains in surplus. We are one of a very few, if not the only, industrialized country to do so. There are many opinions and many reports. Even when we took the measures we took last fall, other people had other views. We happen to believe it was important to put stimulus into the economy.

I hasten to point out that we have paid down the debt by some \$37 billion, which is a direct benefit to taxpayers because we are not paying interest on that money. We took measures to return taxpayers' dollars to their pockets instead of hoarding that money in the government. We did not fritter away the surplus; we returned it to the rightful owners, the taxpayers.

**An Hon. Senator:** Hear, hear!

[Translation]

### SENIORS

#### SPEECH FROM THE THRONE— ABSENCE OF ECONOMIC SUPPORT

**Hon. Claudette Tardif (Deputy Leader of the Opposition):** Honourable senators, my question is for the Leader of the Government in the Senate and Minister of State for Seniors. As I listened to the Speech from the Throne yesterday, I was astonished that there was no mention of seniors. The minister is well aware that, in these times of economic crisis, thousands of seniors are worried about their pension funds and their savings.

Why did the Speech from the Throne, entitled *Protecting Canada's Future*, make no mention of the plight of seniors? Do they not figure in Canada's future?

[English]

**Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)):** My colleague said, "Ask Robert Thibault."

Honourable senators, in our platform, we made a commitment to increase the amount of the age exemption by a further \$1,000. It is in the platform. There is no doubt that the situation with regard to the markets is having adverse effects on seniors who rely on those investments, those seniors who could afford to invest in the market. Then, of course, a huge number of seniors rely on government pensions and the old age supplement.

The government has had many representations by seniors' groups, including the Canada's Association for the Fifty-Plus, CARP, on what the government might do. There is a huge debate as to who is affected. We raised the age from 69 to 71 for converting Registered Retirement Savings Plans, RRSPs, to Registered Retirement Income Funds, RRIFFs. Unfortunately, there is some misinformation regarding the exact consequences of that change. We are presently awaiting further information to see the effects of this change. Many representations have been made by individuals. I have received many emails, as I am sure honourable senators and members of Parliament received many as well, and the Minister of Finance is looking carefully at all of these issues.

[Translation]

**Senator Tardif:** Now that the election campaign is over, will the minister once again take the bus to seniors' residences and listen as seniors talk about the problems they face every day because of this economic crisis? Can she tell us — she already alluded to this — whether the government will help seniors so that they do not have to dip into their savings immediately?

[English]

**Senator LeBreton:** As the honourable senator knows, I spent a significant amount of time prior to the election campaign meeting with seniors' organizations and attending events hosted by seniors. There is no question that this global economic condition is having adverse effects on seniors.

As we all know, the situation is changing almost as we speak. Before the election was called, when I went around to seniors' organizations, seniors were very much worried about the high price of fuel, the cost of fuel not only for their cars but for heating their homes. As a result of the drop in fuel prices, that issue has fallen off the table and other issues have emerged.

I take my responsibility as Minister of State for Seniors very seriously. I will continue to meet with seniors' groups to hear their concerns and to try to find solutions in their long-term interests as I represent them at the cabinet table.

• (1455)

## TREASURY BOARD

### PUBLIC SERVICE WAGE NEGOTIATIONS

**Hon. Jim Munson:** Honourable senators, my question is for the Leader of the Government in the Senate.

Loyal and committed federal public servants woke up this morning to see two headlines: "Public Service faces forced wage controls" and "Privatiser la fonction publique?"

Why is the government picking on those who serve the government? Is the government saying that when it comes to a wage offer of 6.8 per cent over four years, that is their sense of their worth?

**Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)):** Honourable senators, I am aware of Senator Munson's background as a reporter. I am aware that the senator is an old media man and has a tendency to rely on newspaper headlines for his information.

We put a high value on the hard work and commitment of our federal public service, which makes a direct and valuable contribution to the quality of life of Canadians. However, in this critical time of economic uncertainty, a responsible government must approach public sector compensation with great care. The Speech from the Throne states that we will table legislation to ensure sustainable compensation growth in the federal public service. Sustainable compensation growth in the federal public service is the key. Public servants, like all of us, will

want to do their part in seeing the country through the difficult economic times that most Canadians acknowledge are not of our making.

**Senator Munson:** Honourable senators, I believe those are code words for something I just spoke about in terms of controls. The Leader of the Government describes me as an old media man. I think I am a rather young senator. I am only 62 years of age. We both live in the Ottawa area. I am curious how John Baird, Royal Galipeau, Pierre Poilievre and Gordon O'Connor will explain to these hard-working public servants that they should keep up their good work for a Conservative government, although they are only worth this amount of money over the next four years. Is it really take it or leave it?

**Senator LeBreton:** Honourable senators, I only meant "old" in terms of the honourable senator's profession, not his age, since I am a little bit older — especially since we were both at Craig Oliver's party last night and he is 70 years young.

There is no question that those of us who live and work in the Ottawa area value the public service. I do not think there is a more committed group of Canadian citizens and I am certain they will want to do their part to ensure that the country weathers the economic storm. The fact that the majority of the ridings in and around the Ottawa area returned Conservative members with greatly increased majorities puts public servants in the same category as the 38 per cent of the Canadian people who voted for the Conservative government. This shows that they have faith in the Prime Minister and the government to see us through these difficult economic times.

## LIBRARY OF PARLIAMENT

### PARLIAMENTARY BUDGET OFFICER—ACCOUNTABILITY

**Hon. Joan Fraser:** Honourable senators, my question is for the Leader of the Government in the Senate from, as she often reminds me, an even older media hand.

In its 2006 election platform, the Conservative Party promised that a Conservative government would "create an independent Parliamentary Budget Authority to provide objective analysis directly to Parliament."

• (1500)

That promise was more or less kept with the arrival of the Federal Accountability Bill. We all remember that extraordinary bill, in which there were more elements than one could count in a month of Sundays, but the position of Parliamentary Budget Officer was included in it. Although he was made an officer of the Library of Parliament rather than of Parliament, that was presented largely as an administrative matter without any suggestion that his independence or freedom would be circumscribed in any way. The independence of the office appeared to be confirmed when the first Parliamentary Budget Officer was appointed, and the Honourable Peter Van Loan, the then Minister of Democratic Reform, said that the Parliamentary Budget Officer is an independent officer of the Library of Parliament, who reports to the Speakers of both chambers.



Since then, however, we have learned that the Speakers of both chambers have written in a formal letter, that, in their view, it is the will of Parliament that the officer shall not report directly to the Speakers but rather shall report directly to the Parliamentary Librarian. I can see, upon rereading the legislation, why the Speakers said that — because there it is in the law. However, many parliamentarians would be a little more surprised by the Speakers' conclusion that this means that the budget officer should work in a manner consistent with the practices and service standards that have been developed by the Library of Parliament. As we know, there has been some recent indication of conflict. The library's normal practices and standards do not involve the automatic publication of all work done by the library's estimable research service.

Even though the Parliamentary Budget Officer is sticking to his guns, as we saw this morning, is the government prepared to finally fulfill its 2006 promise by making clear either administratively or, if necessary, with a legislative amendment, that the Parliamentary Budget Officer is truly an independent officer and that his work does not have to be vetted by anybody — certainly, not the Parliamentary Librarian — before it is made public?

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

As honourable senators know, and as Senator Fraser correctly stated, the Parliamentary Budget Officer was part of the Federal Accountability Act. It is clear in the act, which went through many amendments in both chambers, that the Parliamentary Budget Officer is an officer of the Library of Parliament who has a mandate, as the honourable senator correctly stated, to provide independent analysis to parliamentarians on economic and fiscal issues. It is up to the House of Commons and the Senate to work with the Library of Parliament and the Parliamentary Budget Officer to implement the budget officer's mandate. That is the law.

If we read the testimony of the Parliamentary Budget Officer when he appeared before the Senate committee, I believe it was clear to him as well that he was an officer of the Library of Parliament.

This matter is between the Library of Parliament and the Speakers of both chambers; it is not a matter for the government. As the honourable senator well knows, even the Parliamentary Budget Officer stated in the newspaper in the last few days that there has been no interference whatsoever by the government in this matter.

**Senator Fraser:** The Federal Accountability Act says that the Parliamentary Budget Officer is entitled to free and timely access to any financial or economic data in the possession of the relevant department that are required for the performance of his or her mandate.

In his report this morning, the Parliamentary Budget Officer said the following:

To better perform this exercise the PBO required the detailed dataset used to produce the Budget 2008 economic and fiscal forecast. Our request to the Department of Finance for this information was denied.

• (1505)

I ask again: Will the government move to clarify the independence, the full rights and the right to full access that the Parliamentary Budget Officer needs to do the job that we all thought he was supposed to be doing?

**Senator LeBreton:** Honourable senators, the act is clear. The responsibilities of the Parliamentary Budget Officer are clear, as we saw today and a month and a half ago when the Parliamentary Budget Officer released another report.

I am not aware of the overtures of the Parliamentary Budget Officer to the Department of Finance. Obviously he, like any officer of the Library of Parliament, may approach various departments of government. I am not in a position to answer for the reasoning of the Department of Finance. If he was in fact denied access, as the honourable senator states, there may be good and valid reasons for that; I have no idea.

The Parliamentary Budget Officer, by his own testimony before the committee, well understood his role as a part of the Library of Parliament. It is clear that there is a certain responsibility to Parliament through the Speakers and through the Library of Parliament.

This is not a matter in which the government should intervene; this is a matter for Parliament. As I said a moment ago, even the Parliamentary Budget Officer confirmed that the government has not interfered in this process in any way.

## FINANCE

### ECONOMIC DOWNTURN—GOVERNMENT SPENDING

**Hon. Grant Mitchell:** Honourable senators, I was shocked the other day to realize that I had to admit that the Conservatives are really good at one thing, that is, creating deficits.

However, why should I have been surprised? After all, they have a dream team of deficit creators in their caucus. They have Mr. Flaherty, who created a \$5.2-billion deficit about which he misled Ontario residents, and they have Greg Kerr, who created deficit after deficit for the people of Nova Scotia. Of course, they also have the grand-daddy of deficit creators — Mr. Mulroney — who created the Conservative \$42-billion deficit legacy for the people of this country.

My question is to the Leader of the Government in the Senate. Has this government given any thought to how large a deficit will actually be required to stimulate this economy out of the economic mess that has been created by this government in two short years?

**Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)):** Honourable senators, that kind of question is one thing I did not miss while we were away.

The preamble to Senator Mitchell's comments is incorrect, and he knows that. The public showed us clearly in the last election and is still sending signals that it is tired of these old, refought battles of the past. I will not get into a great defence of who created the biggest deficit. I have put on the record in the Senate many times that the biggest deficit ever created in this country was not created by a Conservative.

As honourable senators are aware, we intend to take every careful measure possible to try to preserve a balanced budget. We will review every cent of government spending. We will examine corporate assets to ensure that they perform a useful function. We are reviewing public sector compensation, and we will ensure that equalization is sustainable and affordable.

As I said in answer to Senator Cowan, the situation changes almost daily. The government is being prudent and mindful of our responsibilities. We have just come through an election where the Canadian electorate had the choice of which party it wanted to elect to manage and guide us through the difficult economic times that lie ahead. The Canadian electorate clearly chose Prime Minister Harper and the Conservative government.

• (1510)

**Senator Mitchell:** Honourable senators, we are hearing contradictory stories here today. It seems to me that one of the core Conservative values is contradiction.

On the one hand, we have been hearing that economists are telling Mr. Harper, who is not a real economist, that somehow he has to bring in a deficit to stimulate the economy. The Leader of the Government in the Senate has just said, and I can hardly believe my ears, that they will do everything they can to bring in a surplus budget. Which is it? Do we need a deficit to stimulate an economy, or can one actually stimulate an economy with a surplus budget? The former would be worse than the latter. If the government thinks they will bring in the latter, why not stand up and say that?

**Senator LeBreton:** I did not say “surplus”; I said “balanced budget.” As the Prime Minister and the Minister of Finance said, we will not force a surplus if it is not in the best interests of the economy, domestic or global.

I will tell honourable senators that one thing we will not do is deal with these tough economic conditions by taking it out on the provinces and making massive reductions in transfer payments to the provinces for social services and health care.

**Senator Tkachuk:** Or charging a carbon tax.

**Senator Mitchell:** While Mr. Harper is trying to reassure us that his deficits will be short-lived, cyclical deficits, which is another Conservative euphemism, can the leader tell us what estimated projection of GDP growth Mr. Harper has come up with so he can say with such certainty that he will be able to get us out of deficits once he has unleashed them?

**Senator LeBreton:** I would ask Senator Mitchell to be a little patient. A week from today, we will have all of that information from the Minister of Finance.

## HUMAN RESOURCES AND SKILLS DEVELOPMENT

### EMPLOYMENT INSURANCE— ELIGIBILITY REQUIREMENTS

**Hon. Elizabeth Hubley:** Honourable senators, my question is for the Leader of the Government in the Senate. For years we have heard talk about a surplus in the Employment Insurance system. That is because during periods of economic growth, more people

are working and the fund takes in more premiums. At the same time, it pays out fewer benefits because unemployment is lower. The surplus has grown in recent years, reaching tens of billions of dollars. Of course, that is because the Canadian economy has been experiencing the longest period of growth in its history, beginning in 1993, some 15 years ago, when the Liberal government came to power.

Can the Leader of the Government in the Senate tell us whether the government is committed to honouring its implicit contract with Canadians who paid premiums into the EI program? Can the leader guarantee that during a recession the EI surplus will be used to maintain the level of benefits in the program? In other words, can the minister state categorically that this government will not cut the EI program as it looks around for ways to avoid a deficit? I am referring to more than just benefit levels. Will the government make a commitment that it will not increase eligibility requirements or cut additional EI programs that assist unemployed people to retrain and find new employment?

**Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)):** Honourable senators, the honourable senator is making a statement about something the previous Liberal government did. There was a great controversy about EI funds being put into general revenue to pay down the deficit.

I remind honourable senators that we announced in Budget 2008 that we were creating a new, independent Crown corporation entitled the Canada Employment Insurance Financing Board. Starting in 2009, the board will have responsibility for financing the EI program. This removes the possibility of what happened before and puts the responsibility in the hands of this board.

The government took other important steps in the budget to improve the management and governance of the EI account, including establishing a \$2 billion surplus and ensuring that all future premiums are used for the benefit of workers and not, as was done in the past, for other government programming or paying down the deficit.

• (1515)

**Senator Hubley:** Honourable senators, I am not looking for an assurance that we have passed the responsibility on to an agency. Rather, I would like to hear what sounds like an assurance that, with the surplus approaching \$60 billion, Canadians can expect the Employment Insurance program to function fully, as it was designed to do during a recession, to cushion the blow of jobs lost and to help affected workers to find new opportunities through life-long learning.

If the minister is unwilling to give this assurance, does it mean that the government is considering cuts to the EI program, which would reduce benefits, reduce the number of people who are eligible to receive them, or reduce the programs under EI that assist people with retraining and seeking employment?

[ Senator LeBreton ]

**Senator LeBreton:** Honourable senators, the government is concerned about the problems in the labour market, in particular the auto sector. As the honourable senator knows, other areas across the country are not experiencing the same difficulties. For what it is worth, the government will continue to monitor and assess the EI program to ensure that it meets today's labour market needs. I have every confidence that the system will be available if and when people require its services.

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[Translation]

## ORDERS OF THE DAY

### ADJOURNMENT

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

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

That when the Senate adjourns today, it do stand adjourned until Tuesday, November 25, 2008, at 2 p.m.

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

**Hon. Senators:** Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, November 25, 2008, at 2 p.m.

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# THE SENATE OF CANADA

## PROGRESS OF LEGISLATION

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

**(1st Session, 40th Parliament)**

**Thursday, November 20, 2008**

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

### GOVERNMENT BILLS (SENATE)

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.

### GOVERNMENT BILLS (HOUSE OF COMMONS)

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.

### COMMONS PUBLIC BILLS

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.

### SENATE PUBLIC BILLS

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
S-201	An Act to amend the Bankruptcy and Insolvency Act (student loans) (Sen. Goldstein)	08/11/20							
S-202	An Act respecting commercial electronic messages (Sen. Goldstein)	08/11/20							
S-203	An Act to amend the Employment Insurance Act (foreign postings) (Sen. Carstairs, P.C.)	08/11/20							
S-204	An Act to amend the Library and Archives of Canada Act (National Portrait Gallery) (Sen. Grafstein)	08/11/20							
S-205	An Act to amend the Criminal Code (suicide bombings) (Sen. Grafstein)	08/11/20							
S-206	An Act to amend the Food and Drugs Act (clean drinking water) (Sen. Grafstein)	08/11/20							

No.	Title	1 <sup>st</sup>	2 <sup>nd</sup>	Committee	Report	Amend	3 <sup>rd</sup>	R.A.	Chap.
S-207	An Act to require the Minister of the Environment to establish, in co-operation with the provinces, an agency with the power to identify and protect Canada's watersheds that will constitute sources of drinking water in the future (Sen. Grafstein)	08/11/20							
S-208	An Act to regulate securities and to provide for a single securities commission for Canada (Sen. Grafstein)	08/11/20							
S-209	An Act to amend the Business Development Bank of Canada Act (municipal infrastructure bonds) and to make a consequential amendment to another Act (Sen. Grafstein)	08/11/20							
S-210	An Act respecting a National Philanthropy Day (Sen. Grafstein)	08/11/20							
S-211	An Act to amend the Canadian Environmental Protection Act, 1999 (Sen. Banks)	08/11/20							
S-212	An Act to amend the Constitution Act, 1867 (Property qualifications of Senators) (Sen. Banks)	08/11/20							
S-213	An Act respecting World Autism Awareness Day (Sen. Munson)	08/11/20							

## PRIVATE BILLS

No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.

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