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THE HONOURABLE NOËL A. KINSELLA
SPEAKER

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THE SENATE

Tuesday, June 9, 2009

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

Prayers.

[Translation]

AFGHANISTAN—FALLEN SOLDIER

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 Private Alexandre Pélouin, whose tragic death occurred yesterday while serving his country in Afghanistan.

Honourable senators then stood in silent tribute.

[English]

VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of the Honourable Zheng Silin, Chairman of the China-Canada Legislative Association of the National People's Congress.

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

Hon. Senators: Hear, hear!

• (1405)

SENATORS' STATEMENTS

THE HONOURABLE SANDRA OXNER, O.C.

Hon. Donald H. Oliver: Honourable senators, I am honoured to rise today to pay tribute to the Honourable Sandra Ellen Oxner of Nova Scotia for her outstanding career in the practice of law and in judicial education.

It was on May 31, 1971, that Sandra Oxner became the first woman to be appointed to the Nova Scotia judiciary at the age of 29.

I met Sandra nearly 50 years ago when we were classmates at Dalhousie Law School in Halifax. She was a great colleague whose unwavering spirit and firm conviction would eventually pave the way to a brilliant career in law and on the bench.

She was called to the bar of Nova Scotia in 1965 and worked at the legal department of the City of Halifax until 1971. It was at this time, only six years after graduating, that she was appointed a judge. She served the bench for more than 30 years, retiring only a few short years ago.

Sandra's list of career achievements is impressive. She was the founder and is the current Chairperson of the Commonwealth Judicial Education Institute, which offers educational programs and teaching tools for members of courts and tribunals. The institute provides support and linkage among existing Commonwealth judicial education bodies and encourages the establishment of new national and regional judicial education bodies.

Over the years, Sandra has travelled extensively around the world in such places as Pakistan, India, Russia and South Africa, where she promotes judicial education programming and works on reform projects while sharing the Canadian experience and showcasing Canada's system to administrators of justice.

Ms. Oxner is also an international consultant on judicial issues for organizations such as the Asian Development Bank and the Canadian International Development Agency. In 2002-03, she served a one-year term with the World Bank as a judicial reform consultant.

Her ongoing appetite to learn brought her back to Dalhousie Law School, this time as a student. In 2001, Sandra completed a master of law thesis entitled *A Decade of Judicial Reform*. With Maria Dakolias, Sandra has also edited a book entitled *The Rule of Law: The Justice Sector and Economic Development*, which will be published in December 2009.

Her career achievements have also been widely recognized. In 1996, she was awarded the Weldon Award for Unselfish Public Service by Dalhousie Law School. In April 2000, Her Excellency Adrienne Clarkson, Governor General of Canada, appointed her an Officer of the Order of Canada. The citation says the following about her:

Convinced of the value of continuous skills upgrading, she devised, organized and promoted educational programs aimed at vitalizing the administration of justice.

In 2003, she was chosen as one of Canada's Most Powerful Women in the Trailblazers category, along with Chief Justice Beverley McLachlin, former Prime Minister Kim Campbell, and our own Senators Poy, Jaffer and Wallin.

Honourable senators, when it comes to legal education, Sandra Oxner has been one of the most passionate advocates. She exemplifies the highest standards of professionalism, knowledge and *savoir faire*. Her contribution to judicial education reaches far beyond her native Nova Scotia.

On the thirty-eighth anniversary of her appointment to the judiciary, please join me, honourable senators, in acknowledging the lifetime achievement of Nova Scotia's first female judge and a prominent expert in law.

Hon. Senators: Hear, hear!

CHINA-CANADA LEGISLATIVE ASSOCIATION

Hon. Joseph A. Day: Honourable senators, further to His Honour's introduction of our visiting friends from the People's Republic of China, I, too, wish to welcome the representatives of the China-Canada Legislative Association of the National People's Congress of the People's Republic of China.

The delegation is led by Zheng Silin, Vice-Chair of the Foreign Affairs Committee of the National People's Congress. He was also a former governor of one of the provinces in China and a former Minister of Labour and Social Security for the 1.3 billion people who live in the country of China. Two vice-presidents of universities and the former Deputy Commander of the Chinese navy accompany Mr. Silin.

• (1410)

China became Canada's second largest trading partner, after the United States, a few years ago. Two-way trade between Canada and the People's Republic of China increased almost fivefold in the decade 1993 to 2003.

China's economy has been growing steadily since the economic reforms of 1978, which sought to change the former solitary nation into a country open to international involvement. In 2002, China became the world's third-largest economy, according to the World Trade Organization, ranking behind only the United States and Germany.

China's rapid growth has been beneficial not only to its Asian neighbours but also to nations worldwide. Their vast reserves are helping and will continue to help the world out of this current economic downturn, including — and perhaps I should add particularly — their investment in helping the United States of America. Even in this time of economic downturn, China is expecting an annual growth of between 6 and 8 per cent this year.

The growth of Canada-China trade relations has been beneficial to both countries. Increased trade exports from China to Canada have helped raise income levels in China and likewise it has helped in Canada. China's importation of Canadian resources has led to the diversification of our export products. Where we once depended primarily on wheat as our export to China, we have added industrial goods and forest products to our major exports to that wonderful country.

Recently, International Trade Minister Stockwell Day, during a trip to China, opened up six new trade offices. This is a step in the right direction. Over the past three years, we have perhaps done less than we should have to nurture the relationship between Canada and China. Now is the time to strengthen the connections between our two great countries, as a mutually beneficial relationship can ensure economic stability for the bright futures ahead for both of our great nations.

Welcome, gentlemen and lady.

THE HONOURABLE NORMAN K. ATKINS

TRIBUTE

Hon. Mira Spivak: Honourable senators, the beat goes on. There should never be an end to tributes to Senator Norm Atkins.

When I first arrived in the Senate, it was a rather intimidating experience to meet the famous engineer of the Big Blue Machine, Norman, whose legendary prowess of serial victories over foes in Ontario and elsewhere was of mythic stature on the Prairies.

Out in the boondocks of Winnipeg, we had, of course, the Winnipeg South mafia, stalwart supporters of Duff Roblin, who managed some victories of their own, but it would be like comparing the armies of Genghis Khan to the ragtag, easily conquered nomads of the Mongolian steppes.

This formidable firepower was amply demonstrated in the 1967 federal Progressive Conservative leadership convention, where the Roblin team first encountered the said Blue Machine, led by Norman and Dalton Camp. What was unleashed was the most sophisticated, slick, smoothly run and expert convention operation for Bob Stanfield, in an era where this American style was hardly yet common.

The unprepared Roblin side, thunderstruck, used their offence of choice — umbrellas. Think slingshots against machine guns. The event is seared in my memory.

Fast forward to a highly dramatic moment in the Senate in January 1991. The PC government of the day had struggled valiantly to produce legislation for a most contentious issue, Bill C-43, An Act Respecting Abortion.

• (1415)

In the Senate, brave souls on the government as well as the opposition side thought otherwise, and there began a flurry of lobbying, arm-twisting and persuasion of mammoth proportions, on both sides of the issue. On the fateful day of the vote, John Lynch-Staunton, who sat just behind me, was furiously calculating the odds of victory or defeat — he will be a bookie in his next life. When the vote was called, and no one knew how it would go, I looked up in surprise to see Norman Atkins voting his conscience. A defining moment.

When the history of this time in the Senate is written, I believe Norman Atkins will be one of the shining lights. He is a man whose instinct is to do what is right, no matter what the cost, whose sterling values serve as a model for others — whose courage, grace, generosity of spirit and principled actions, honed on the field of electoral battle but carried forward here, have been testified to by colleagues.

To my mind, Norman Atkins represents the finest tradition of public service — a tradition exemplified in the Progressive Conservative governments of Robarts, Davis and Stanfield, with whom he was closely allied. His approach to public life is communitarian, more humane, fiercely competitive, but not attack politics.

I join with other honourable senators to express my best wishes to you, Norman, for happiness and luck in retirement, and to express my pleasure and privilege to have served here with you.

CANADIAN NAVY

Hon. Hugh Segal: Honourable senators, I rise to make the chamber and the country aware of the outstanding work being done in recent weeks by the Canadian Navy. As we speak, the navy has 325 personnel deployed in support of key Canadian Forces operations around the world, including Afghanistan. There are another 2,695 naval personnel at sea conducting force generation, joint allied exercise and patrol and diplomatic missions in support of our values, security and sovereignty around the world.

Specifically, HMCS *Winnipeg* is on her way home after a deployment on Op Sextant, conducting counter-piracy operations off the Somali coast with the Standing NATO Maritime Group 1. HMCS *Protecteur* is operating in the Western Pacific jointly with the U.S. 7th Fleet. HMCS *Calgary* and HMCS *Regina* recently completed exercises off the West Coast for a joint readiness exercise supported by HMCS *Edmonton* and HMCS *Whitehorse*.

HMCS *Athabaskan*, HMCS *Preserver*, HMCS *Fredericton*, HMCS *St. John's*, and HMCS *Corner Brook* have returned from sea off the Virginia Capes for a readiness exercise and are now preparing for further operational duties. HMCS *Moncton* is at sea patrolling the East Coast fisheries. Five other Kingston-class coastal patrol vessels are conducting force generation either through personnel training or ship's company training at sea.

Since mid-February, the following significant activities have transpired: En route to the Indian ocean, HMCS *Winnipeg* exercised with the USS *John C. Stennis* Strike Group in the southern Sea of Japan and the East China Sea and participated quite strategically in an annual bilateral exercise between the United States and our allies in the Republic of South Korea. HMCS *Athabaskan* provided maritime security and air defence force protection to the recent Summit of the Americas in Jamaica. HMCS *Preserver* and HMCS *Corner Brook* participated in an exercise that took place off Jacksonville, which brought together a number of Latin American navies with the Canadian Navy in support of Canada's enhanced foreign policy focus on the hemisphere.

Honourable senators, these are the initiatives that Canada can take daily in the advancement of our values, sovereignty and world view because of the men and women who wear the Canada flag on their uniform, on, above and beneath the seas. They, and the navy that they make real every day, reflect the best of our history and the sinews of our future — a more robust, diplomatic, military, strategic and humanitarian presence for Canada.

SIXTY-FIFTH ANNIVERSARY OF D-DAY

Hon. Terry M. Mercer: Honourable senators, Saturday marked the sixty-fifth anniversary of an extraordinary day in the history of Canada and, indeed, of the world. D-Day is a beacon that illustrates much about the sacrifices of the Second World War.

On June 6, 1944, the tremendous allied army crushed the German-defended beaches of Normandy, France. Fourteen thousand Canadian soldiers from 110 Canadian ships bravely led the charge on the eight kilometre stretch the allies had dubbed Juno Beach. The 14,000 joined the 450 Canadian soldiers that had been parachuted inland to try to outflank the German defences.

• (1420)

By the end of the day, Canadian Forces had taken three shoreline positions, but with great losses. The Canadian Forces suffered 1,074 casualties on Juno Beach, 359 of which were fatal. Throughout the Normandy campaign, Canada would endure the most losses of any division in the British Army Group.

D-Day and the Normandy campaign sounded the beginning of the end of World War II, which would take another 11 months to complete. D-Day is an anniversary of mixed emotions, of pride and sadness, but chiefly of remembrance.

Honourable senators, during our recent break, I spent a week travelling Northern France and visiting Canadian battlegrounds and gravesites. My visit to Vimy Ridge was extraordinary, to see the monument that has been erected to commemorate the brave 60,000 Canadians who lost their lives in World War I.

As well, I visited Juno Beach. I walked that beach. I felt the presence of the souls of the young men who died there. I also visited the graveyard close by. It was a privilege to take Canadian flags and place them on the graves of the brave young men who were members of the North Nova Scotia Highlanders, many of whom died in the first couple of days of that battle on Juno Beach.

I also visited, for my Newfoundland friends and those of Newfoundland heritage, the monument the Beaumont Hamel, which was a tremendous battle that changed the history of Newfoundland and joined the Battle of the Somme. As well, I visited the pavilion on Juno Beach where the names of those Canadians who died scroll across the ceiling. One must stand there for 13-and-a-half hours in order to see every name. I was fortunate enough to be there when the Ms were scrolling across, and I got a picture of all the "Mercers" who had been there. That was another thrill.

In addition, I visited the graveyard of American soldiers at Omaha Beach, which was much bigger. The difference was the care that has been given to the Canadian graves by the Commonwealth War Graves Commission; it was absolutely spectacular.

Honourable senators, if you have not been there, I encourage you to go. If you are ever in France on other business, please set aside some time to visit these gravesites. They are absolutely remarkable.

They shall not grow old as we that are left grow old.
Age shall not weary them, nor the years condemn.
At the going down of the sun and in the morning,
We will remember them.

[Translation]

PROTECTION OF CHILDREN FROM TOBACCO ADVERTISING

Hon. Suzanne Fortin-Duplessis: Honourable senators, the Conservatives are determined to give children a good start in life and to keep them healthy.

That is why we have drafted a bill to protect children from the harmful effects of tobacco marketing. Our bill will prohibit the addition of fruit or candy flavours to little cigars, cigarettes and blunt wraps.

The new legislation will also prohibit the sale of little cigars and blunt wraps in packages of fewer than 20 units to prevent them from being sold in smaller packages that are more affordable for young people.

There can be no doubt that this is a real problem. The sale of cigarillos or little cigars, the fastest-growing tobacco product on the market, jumped from 53 million units in 2001 to 403 million in 2007.

The current legislation allows coloured advertising to appear in daily and weekly arts and entertainment publications, which are readily available to children. Our bill will further restrict advertising for these products.

Our bill has received the support of the Canadian Medical Association.

• (1425)

The Association's president, Dr. Robert Ouellet, stated, and I quote:

On behalf of Canada's doctors and their patients, I'd like to thank the federal government for introducing these measures. Closing loopholes is a huge step forward in protecting our children from a deadly addiction to tobacco.

We are lucky that we live in a free country. If an adult in Canada wants to smoke, that is his or her business, but marketing tobacco products specifically to children is despicable, and I am proud of our government for taking action. It is the most recent of many measures we have adopted to benefit Canadian families and their children. Among those measures, I would like to mention the following: the universal child care benefit that provides families with \$1,200 per year for each child under six; a tax credit to promote physical activity for children under 16 years of age; an increase in the maximum annual child disability benefit; a tax credit for every child under the age of 18, which represents a tax break worth \$1.5 billion for families; an investment of \$550 million for the working income tax benefit for low-income Canadians; and finally, an initiative that I am particularly proud of, because it is meant for those who need it most, namely, a long-term savings plan for parents of children with severe disabilities.

By protecting children from the marketing of tobacco products and from cyber-predators, and by helping hard-working families, our government is improving the lives of all Canadians.

[English]

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of His Excellency Luka Bebić, President of the Parliament of the Republic of Croatia. He is leading a delegation of parliamentarians, including Zeljka Antunović, member of Parliament and Vice-President of the Parliament and former Minister of National Defence for Croatia; and also Boris Kunst, who is the Chairman of the Labor and Social Partnership Committee and Chairman of the Croatia-Canada Parliamentary Group. They are accompanied by the distinguished Ambassador of Croatia to Canada, Her Excellency, Vesela Mrden Korac.

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

[Translation]

ROUTINE PROCEEDING

SENATE ETHICS OFFICER

2008-09 ANNUAL REPORT TABLED

The Hon. the Speaker: Honourable senators, I have the honour to table, in both official languages, the 2008-09 annual report of the Senate Ethics Officer, pursuant to section 20.7 of the Parliament of Canada Act.

[English]

AUDITOR GENERAL

EXPORT DEVELOPMENT—2009 REPORT TABLED

The Hon. the Speaker: Honourable senators, I have the honour to table, in both official languages, the Report of the Auditor General on the audit of the Environmental Review Directive and other environmental review processes established by Export Development Canada.

[Translation]

PUBLIC SECTOR INTEGRITY COMMISSIONER

2008-09 ANNUAL REPORT TABLED

The Hon. the Speaker: Honourable senators, I have the honour to table, in both official languages, the Annual Report of the Public Sector Integrity Commissioner for the period April 1, 2008 to March 31, 2009, pursuant to section 72 of the Access to Information Act and section 72 of the Privacy Act.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

INDIAN CLAIMS COMMISSION—
2007-08 ANNUAL REPORT TABLED

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, the 2007-08 Annual Report of the Indian Claims Commission.

FIRST NATIONS WATER AND WASTEWATER ACTION
PLAN—JANUARY 2008-MARCH 2009 PROGRESS
REPORT TABLED

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, the January 2008 to March 2009 Progress Report of the First Nations Water and Wastewater Action Plan.

JAMES BAY AND NORTHERN QUEBEC AGREEMENT
AND NORTHEASTERN QUEBEC AGREEMENT—
2005-06 AND 2006-07 ANNUAL REPORTS TABLED

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, the 2005-06 and 2006-07 Annual Report of the James Bay and Northern Quebec Agreement and the Northeastern Quebec Agreement.

FOREIGN AFFAIRS

EXPORT OF MILITARY GOODS FROM CANADA—
2006 REPORT TABLED

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages the Report on Exports of Military Goods from Canada, 2006.

• (1430)

[*English*]

**STUDY ON 2008 LEGISLATIVE REVIEW
OF EXPORT DEVELOPMENT CANADA**

NINTH REPORT OF FOREIGN AFFAIRS AND
INTERNATIONAL TRADE COMMITTEE TABLED

Hon. Consiglio Di Nino: Honourable senators, I have the honour to table the ninth report of the Standing Senate Committee on Foreign Affairs and International Trade entitled: *Study on the 2008 Legislative Review of Export Development Canada*.

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

[*Translation*]

CREE-NASKAPI (OF QUEBEC) ACT

BILL TO AMEND—SIXTH REPORT OF ABORIGINAL
PEOPLES COMMITTEE PRESENTED

Hon. Gerry St. Germain, Chair of the Standing Senate Committee on Aboriginal Peoples, presented the following report:

Tuesday, June 9, 2009

The Standing Senate Committee on Aboriginal Peoples has the honour to present its

SIXTH REPORT

Your committee, to which was referred Bill C-28, An Act to amend the Cree-Naskapi (of Quebec) Act, has, in obedience to the order of reference of Thursday, June 4, 2009, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

GERRY ST. GERMAIN
Chair

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

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

BUDGET IMPLEMENTATION BILL, 2009

STUDY ON ELEMENTS DEALING WITH THE
COMPETITION ACT (PART 12)—SECOND REPORT
OF BANKING, TRADE AND COMMERCE
COMMITTEE TABLED

Hon. Michael A. Meighen: Honourable senators, I have the honour to table the second report of the Standing Senate Committee on Banking, Trade and Commerce, concerning elements dealing with the Competition Act (Part 12) contained in Bill C-10, the Budget Implementation Act, 2009.

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

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

CRIMINAL CODE**BILL TO AMEND—SEVENTH REPORT
OF LEGAL CONSTITUTIONAL AFFAIRS
COMMITTEE PRESENTED**

Hon. Joan Fraser, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Tuesday, June 9, 2009

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

SEVENTH REPORT

Your committee, to which was referred Bill S-4, An Act to amend the Criminal Code (identity theft and related misconduct), has, in obedience to the Order of Reference of Tuesday, May 5, 2009, examined the said Bill and now reports the same with the following amendments:

1. *Page 2, clause 1:*

(a) Replace line 1 with the following:

“a birth certificate, a death certificate, a passport as defined in”;

(b) Replace lines 5 and 6 with the following:

“status in Canada, a certificate of Indian status or an employee identity card that bears the employee’s photograph and signature, or any similar document, issued or purported to be issued by a department”; and

(c) Replace lines 8 to 10 with the following:

“provincial or foreign government.”.

2. *Page 2, clause 2:*

(a) Replace line 21 with the following:

“(a) falsely represents himself to be a”; and

(b) Replace line 26 with the following:

“persons to believe that he is a peace”.

3. *Page 3, clause 4:*

(a) Replace line 23 with the following:

“4. (1) The portion of subsection 342(3) of the”;

(b) Replace line 29 with the following:

“data, including personal authentication information,”; and

(c) Add after line 33 the following:

“(2) Subsection 342(4) of the Act is replaced by the following:

(4) In this section,

“personal authentication information” means a personal identification number or any other password or information that a credit card holder creates or adopts to be used to authenticate his or her identity in relation to the credit card;

“traffic” means, in relation to a credit card or credit card data, to sell, export from or import into Canada, distribute or deal with in any other way.”.

4. *Page 9, clause 11:* Add after line 22 the following:**“REVIEW**

12. Within five years after the day on which this Act receives royal assent, a comprehensive review of its provisions and operation shall be undertaken by the committee of the Senate, of the House of Commons or of both Houses of Parliament that is designated or established by the Senate or the House of Commons, or by both Houses of Parliament, as the case may be, for that purpose. “.

5. *Page 9, clause 12:* Replace line 23, with the following:

“13. The provisions of this Act come into”.

Respectfully submitted,

JOAN FRASER
Chair

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

(On motion of Senator Fraser, report placed on the Orders of the Day for consideration later this day.)

[*English*]

**STUDY ON ISSUES RELATING TO FEDERAL
GOVERNMENT’S CURRENT AND EVOLVING POLICY
FRAMEWORK FOR MANAGING FISHERIES
AND OCEANS****FIFTH REPORT OF FISHERIES AND OCEANS
COMMITTEE TABLED**

Hon. Bill Rompkey: Honourable senators, I have the honour to table the fifth report of the Standing Senate Committee on Fisheries and Oceans entitled: *Crisis in the Lobster Fishery*.

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

• (1435)

CRIMINAL CODE

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-25, An Act to amend the Criminal Code (limiting credit for time spent in pre-sentencing custody).

(Bill read first time.)

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

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

[Translation]

CONTROLLED DRUGS AND SUBSTANCES ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-15, An Act to amend the Controlled Drugs and Substances Act and to make related and consequential amendments to other Acts.

(Bill read first time.)

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

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

[English]

CANADIAN NATO PARLIAMENTARY ASSOCIATION

VISIT TO PARIS AND NANCY, FRANCE BY DEFENCE AND SECURITY COMMITTEE SUB-COMMITTEE ON TRANSATLANTIC DEFENCE AND SECURITY CO-OPERATION, APRIL 27-29, 2009—REPORT TABLED

Hon. Joseph A. Day: Honourable senators, I have the honour to table, in both official languages, the report of the Canadian parliamentary delegation to the Visit to Paris and Nancy, France by the Defence and Security Committee Sub-committee on Transatlantic Defence and Security Co-operation, from April 27 to 29, 2009.

HUMAN RIGHTS

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY ISSUE OF SEXUAL EXPLOITATION OF CHILDREN

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

That the Standing Senate Committee on Human Rights be authorized to examine and report upon the issue of the sexual exploitation of children in Canada, with a particular emphasis on understanding the scope and prevalence of the problem of the sexual exploitation of children across the country and in particularly affected communities; and

That the committee submit its final report to the Senate no later than March 31, 2010, and that the committee retain all powers necessary to publicize its findings for 180 days after the tabling of the final report.

[Translation]

THE HONOURABLE WILLIE ADAMS

MOTION TO PLACE INQUIRY ON NOTICE PAPER ADOPTED

Hon. Claudette Tardif (Deputy Leader of the Opposition): Honourable senators, with leave of the Senate and notwithstanding rules 57(2) and 58(1)(a), I move:

That the following inquiry be placed on the Notice Paper for the next sitting of the Senate:

“By the Honourable Senator Tardif: That she will call the attention of the Senate to the career of the Honourable Willie Adams in the Senate and his many contributions in service to Canadians.”;

That, notwithstanding rule 37(4), during proceedings on this inquiry no senator speak for more than three minutes.

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

Some Hon. Senators: Yes.

(Motion agreed to.)

• (1440)

[English]

RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXTEND DATE OF FINAL REPORT ON STUDY OF SENATE COMMITTEE SYSTEM

Hon. Donald H. Oliver: 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 Wednesday, March 25, 2009, the Standing Committee on Rules, Procedures and the Rights of Parliament which was authorized to examine and report on the Senate committee system as established under rule 86, taking into consideration the size, mandate, and quorum of each committee; the total number of committees; and available

human and financial resources, be empowered to extend the date of presenting its final report from June 30, 2009 to October 30, 2009.

[Translation]

THE SENATE

APOLOGY TO STUDENTS OF INDIAN RESIDENTIAL SCHOOLS—MOTION TO PERMIT ELECTRONIC AND PHOTOGRAPHIC COVERAGE DURING COMMITTEE OF THE WHOLE PROCEEDINGS AND THAT THE COMMITTEE OF THE WHOLE REPORT TO THE SENATE NO LATER THAN TWO HOURS AFTER COMMITTEE OF THE WHOLE BEGINS ADOPTED

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, with leave of the Senate, I move:

That when the Senate resolves into a Committee of the Whole on Thursday, June 11, 2009, television cameras be authorized in the Senate Chamber to broadcast the proceedings with the least possible disruption of the proceedings;

That photographers be authorized in the Senate Chamber to photograph the witnesses, with the least possible disruption of the proceedings; and

That the Committee of the Whole report to the Senate no later than two hours after it begins.

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

(Motion agreed to.)

[English]

QUESTION PERIOD

NATURAL RESOURCES

CHALK RIVER NUCLEAR LABORATORIES—
MEDICAL RADIOISOTOPE SUPPLY—
COMMENTS OF MINISTER

Hon. Claudette Tardif (Deputy Leader of the Opposition): Honourable senators, yesterday a new chapter of the government's mismanagement of the isotope shortage crisis was disclosed. It was revealed on a tape, carelessly left behind by the Minister of Natural Resources, that she is more concerned about her reputation than the well-being of Canadians. People's lives are at risk, but the leader's cabinet colleagues are in a turf war over who receives credit for handling the file.

We are confronted with a shortage of medical isotopes that Canadians urgently need. Will the government put the health of Canadians ahead of the political interests of the beleaguered Minister of Natural Resources?

[Senator Oliver]

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): Honourable senators, it is important to put yesterday's news stories into context. This taped conversation apparently took place much earlier this year, indeed in January. For that reason, it is improper to relate the contents of that tape to the events in May, when there was a serious issue regarding medical isotopes.

Rather than titillate ourselves with tapes that journalists hold onto for months, it is important to look at this issue for its seriousness, and that issue is the worldwide supply of medical isotopes.

• (1445)

Minister Raitt has been working around the clock on this serious issue. She has worked very hard toward her goal of securing a medical isotope supply, which, as I mentioned earlier, is an issue not only in Canada but also internationally, one that requires a cooperative global response. That is exactly what Minister Raitt has been doing.

Honourable senators, through the Nuclear Energy Agency, Canada has created and chairs the high level panel of isotope-producing countries to coordinate supply as well as reactor schedules. Last Friday, our government met in Washington with operators of reactors in the United States and officials from the White House to establish sources of supply. The Minister of Health is fully engaged with all provincial and territorial governments and the health care community. The Minister of Natural Resources, Lisa Raitt, announced an isotope expert review panel to provide medium- and long-term responses to this global issue.

Rather than attack this very competent minister —

Senator Mercer: Oh, oh!

Senator LeBreton: Senator Mercer may think that this is a laughing matter but it is not — our government continues to use all available resources.

I wonder if Senator Mercer is interested in the answer regarding what the government is doing or if he is interested only in shouting.

I am simply listing the things that the minister is doing on behalf —

The Hon. the Speaker: Order. I remind honourable senators that this is the Senate chamber.

Senator LeBreton: Thank you, Your Honour.

I wish to assure all honourable senators, all parliamentarians, all Canadians, that our government continues to use all available resources to manage the shortfall and is fully engaged. As we know, this is a worldwide isotope supply issue. In this regard, Australia has asked the Canadian government for training and technical assistance to help bring their reactor on line as quickly

as possible. We have facilitated this and Australian experts will be here next week for training. Our government is also willing to deploy officials to Australia to get their reactor up and running more quickly.

The Petten nuclear reactor in the Netherlands has ramped up production by 50 per cent and South Africa has increased supply by nearly 30 per cent. There are some medical facilities in Canada, and also around the world, that use their own facilities to produce some of their supplies of isotopes.

Senator Tardif: Obviously, the isotope crisis was on the mind of Minister Raitt in January. In her own words, she says:

But it's sexy . . . Radioactive leaks. Cancer.

. . . when we win on this, we get all the credit. I'm ready to roll the dice on this. This is an easy one.

I wish to tell the Leader of the Government in the Senate that there is nothing sexy about being denied access to medical tests and to treatments that save lives. When will this government start working together to benefit the health of all Canadians?

Senator LeBreton: Honourable senators, the term used by the minister was in reference to the story itself. It proves that way before this latest shortage, which became known in May because of a power outage and a shutdown at Chalk River, the minister was working on the medical isotope issue from the time she was sworn into cabinet on October 30, 2008.

Lisa Raitt is a hard-working minister who is fully engaged on this file, as are her colleagues. She has been working around the clock, dealing with partners throughout the world.

• (1450)

The goal is to secure a medical isotope supply for Canada, which is so vital in the treatment of cancer, heart disease and other conditions requiring medical isotopes. As has been pointed out by the Minister of Health, the Canadian government and the Minister of Health are working with provincial, territorial and research organizations to provide other methods of treatment to replace the shortage of isotopes.

Hon. Lorna Milne: Honourable senators, sexy issues and expert review panels simply do not cut it.

What do I tell my friend who has had his cancer treatment cancelled?

Senator LeBreton: What the honourable senator tells her friend who has had his cancer treatment cancelled is that the government and the minister have been working around the clock with the other world isotope producers to secure a supply for Canadians.

I wish to point out to the honourable senator that Health Canada has already taken action by working with isotope experts, as I mentioned a moment ago, for guidance on dealing with the shortage. We are also using a special access program and clinical trials to provide alternatives to Canadians. Many tests can be completed using other options such as thallium and sodium

fluoride. Health Canada is also ensuring that testing is available for Canadians by quickly approving alternatives. To date, we have approved two clinical trials and 10 special access program requests. The clinical trials were approved in a record three days. We are approving special access program requests in 24 hours.

Obviously, honourable senators, we all know that this is a serious situation. On behalf of the government, I wish to assure the honourable senator's friend that the government is taking every measure possible to deal with the medical isotope issue.

The unexpected shutdown of the reactor in Chalk River in May, due to a power outage that then resulted in the finding of a leak compounded this isotope issue. We are pursuing many avenues, including turning to the world's isotope producers, particularly Australia.

Australia has asked for our technical assistance. The Australians are coming here because, as we know, they have a new reactor that they were planning to bring on stream in the fall. They are now making every effort to move up that date. The Australians are coming to train in Canada, and we have offered to send technical experts to Australia to speed up this process.

Hon. Sharon Carstairs: I have a supplementary question. The honourable leader talks about Australia, but we know the Australian reactor is scheduled to open in six months. The leader has said that the Netherlands has ramped up production in their reactor by 50 per cent. The Netherlands reactor will close for the month of July. My arithmetic tells me that 50 per cent of zero is zero.

Senator LeBreton: Honourable senators, I answered this question last week. I do appreciate the lesson in mathematics. I was not good at mathematics in school.

We all know there is a scheduled shutdown in the Netherlands for the month of July. That does not take away from the fact that the Petten reactor in the Netherlands has already ramped up production by 50 per cent. The reactor in South Africa has been ramped up by 30 per cent. As I mentioned earlier, we have every reason to believe that Australia will be on stream sooner than the originally intended date.

• (1455)

Hon. Willie Adams: Honourable senators, I want to ask the Leader of the Government whether the Prime Minister has requested the resignation of the Minister of Natural Resources. Besides leaving documents at a television station, she is now quoted on tape as questioning the competency of the Minister of Health, Leona Aglukkaq. When will the government start working together for the best interests of Canadians?

Senator LeBreton: I thank the honourable senator for the question. I will miss him because he asks serious questions that deserve serious answers.

I believe the honourable senator was referring to the comments about the very competent Minister of Health. The comments were portrayed as something different than what was actually said. The Minister of Health is a competent minister. Minister Raitt acknowledged that.

I am not interested in listening to a tape that was found under nefarious circumstances. My reading of Mr. Maher's story in the media is that Minister Raitt talked about the minister being a competent minister. I do not know what the context was.

However, I want to assure the honourable senator that the Minister of Health is actively engaged in this file and is working closely with the Minister of Natural Resources. The Minister of Health speaks regularly with provincial and territorial counterparts, the U.S. Secretary of Health — Kathleen Sebelius — as well as the medical community and experts in the field.

As I mentioned earlier, the Minister of Health has been working with her departmental officials to find alternative treatments to replace the worldwide shortage of isotopes. She has instructed the department to work with the provinces and territories to manage their supply through an expert guidance document. The minister is engaged in this file.

It is well known that the Minister of Health was extremely competent in dealing with the H1N1 flu virus. In a public opinion survey, 81 per cent of Canadians lauded and supported the excellent job she was doing. The actions of the Minister of Health and her extensive background in governance in the North are a tribute, not only to her but to our government and to the people of the North for providing such a fine individual to the Parliament of Canada.

Hon. Terry M. Mercer: I want to follow up on Senator Adams' question. I do not think he was talking about the competence of the Minister of Health at the present time. We are talking about the incompetence of the Minister of Natural Resources. This afternoon, the Ontario Association of Nuclear Medicine made a statement about availability for some of the smaller hospitals, particularly in rural and remote areas. The association said: "For some of our smaller hospitals, there will be absolutely no medical isotope availability Thursday or Friday of this week."

Absolutely none available: That is in rural Ontario. What will the availability be in Northern Canada or Atlantic Canada? Minister, this is serious business. Canadians are dying because this minister is more concerned about her image than doing her job.

• (1500)

When will the Prime Minister ask for Minister Raitt's resignation? When will we have some action on this file?

Senator LeBreton: Honourable senators, I saw the report Senator Mercer referred to. The government, the Minister of Natural Resources and the Minister of Health are working hard to resolve this issue for all Canadians, whether they are in large or small centres, in rural parts of the country or in the North. There is no discrimination against any individual or any hospital.

This matter is serious; the honourable senator is right. Let us treat it as a serious matter. As I mentioned in my opening comments, the Minister of Natural Resources is working around the clock. We have world-renowned experts in the nuclear technology field.

[Senator LeBreton]

As we know, the Chalk River facility is the largest producer of medical isotopes. Obviously, when it shuts down, it creates a problem not only for Canadians but for people around the world. Our world partners also recognize this problem, and that is why they are responding to the hard work of Minister Raitt by doing everything they can to increase their supply of medical isotopes.

As I mentioned, there are other methods of testing that have long been proven to be successful, and many medical facilities in the country, including here in Ottawa, use equipment to produce their own medical isotopes.

The situation is serious. It requires the undivided attention of the government and the minister. That is what the minister is doing. That is what we should want her to do instead of becoming involved in a cheap political game of throwing accusations back and forth. This issue is far too serious to play cheap politics with.

Hon. Joan Fraser: I have a supplementary question. Going back to the question from Senator Adams, Ms. Raitt said the following about Ms. Aglukkaq:

Oh, God. She's such a capable woman, but it's hard for her to come out of a co-operative government into this rough-and-tumble. She had a question in the House yesterday, or two days ago, that planked. I really hope she never gets anything hot.

These statements go beyond simply complimenting the health minister on her acknowledged capabilities.

I ask the Leader of the Government in the Senate to take to the Minister of Health and to Ms. Raitt the word that, in the Senate, we hope that Ms. Aglukkaq will stick to her guns and continue to act on the values she brought south with her because we believe they are more appropriate in these circumstances than figuring out who deserves what credit for which "sexy" issue.

Senator LeBreton: Honourable senators, first, in my reading of the story, some of these comments are alleged comments in many ways because we do not know the context. Minister Aglukkaq has proved beyond a shadow of a doubt that she can handle tough issues. As I mentioned a moment ago to Senator Adams, witness her extremely deft handling of serious potential panic in the country over the H1N1 flu virus.

• (1505)

With regard to my two colleagues, I wish to assure the honourable senator that I am equally proud of both Minister Raitt, who is a hard-working, competent minister, and Minister Aglukkaq, who is a hard-working, competent minister.

The fact that the honourable senator would be concentrating on issues like this, rather than the serious issues that the country faces, shows the depths to which she will sink to play cheap partisan politics.

HEALTH

FLU OUTBREAK IN SPLIT LAKE, MANITOBA

Hon. Gerry St. Germain: Honourable senators, I have a question for the Leader of the Government in the Senate. It relates to the flu outbreak in St. Theresa Point in Split Lake in Northeastern Manitoba. My understanding, from the information I have been able to gather, is that there are 26 people, as of Sunday, in intensive care in Winnipeg. Intensive care beds are basically maxed out.

Dr. Joel Kettner, Manitoba's Chief Medical Officer of Health, believes this virus will be diagnosed as the swine flu, H1N1. Does the government have a process in place to deal with this situation immediately given the high concentration of people in these areas who could be subjected to this virus?

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): Honourable senators, I am happy to report that our very competent Minister of Health, Leona Aglukkaq, is working closely with the province in this case, the Public Health Agency, INAC and Aboriginal organizations to ensure a coordinated response. Health Canada has provided additional nurses to the community and physicians are on site.

Public Health Agency epidemiologists arrived in the community last week. The minister's officials, on behalf of the government, are in contact with nurses in the community twice daily — just to show how hard she is working on this one file, in addition to others — to determine if additional resources are needed.

We will continue to work closely with the community leadership and the province to ensure that every possible step is taken to deal with this serious outbreak, and ensure that these people are being treated in the best possible way to get them through this serious illness.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

ON-RESERVE HOUSING

Hon. Gerry St. Germain: Honourable senators, one of the contributing factors to the rapid spread of the flu epidemic in Manitoba's Aboriginal communities is the deplorable housing conditions. I believe the government has put in place a housing program for on-reserve and off-reserve Aboriginal people.

About a year ago, I was visited by four chiefs from that area — St. Theresa Point, Red Sucker Lake and two other communities up there that have a large First Nations population. One of the chiefs sitting at my table was talking about the housing situation, where as many as four to six families live in a 1,100 to 1,200 square-foot home. The children cannot study and there is a litany of abuse.

Now we are faced with what is basically an epidemic. There are 26 confirmed cases. Other countries are dealing with the outbreak in as serious a manner as we are.

What can we do to accelerate the process? We have stimulus packages.

When we look at the issue of native women disappearing, it does not appear on the surface that we take this as seriously as if they were non-native. This matter has been raised before, and the Leader of the Government in the Senate has responded to it.

I do not know what we can do. As an Aboriginal person, there are times when you think you are a child of a lesser God. I am not speaking for myself because I have been blessed. However, many Aboriginal people are being denied proper housing and education. Is there some way that we can accelerate the process?

Every government has looked at this issue sincerely but, since we are the government now, we must try to accelerate the process if there is any possible way to accelerate it.

• (1510)

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): The honourable senator's words are true. The situation is desperate in many areas, in particular this area. The honourable senator is right. The government has accelerated on-reserve and off-reserve housing. Minister Strahl is seized with these issues. He is a tremendous advocate on behalf of our Aboriginal peoples.

There is an element in the stimulus package, as the honourable senator knows, to speed up Aboriginal housing programs. I do not have the details at my fingertips but I will provide that information by written response, which should not take long because it is readily available. Minister Strahl is working closely with the leadership of the Aboriginal community and with the provincial government to move these programs forward. There is no doubt that the crowded conditions only lend themselves to the spread of serious illnesses, like this one.

HUMAN RESOURCES AND SKILLS DEVELOPMENT

EMPLOYMENT INSURANCE

Hon. Lorna Milne: Honourable senators, on June 1, the Harper Conservative government announced a \$7.1 billion bail-out package for General Motors. This loan will form the largest part of the so-called unexpected increase in the federal deficit. At a time when unemployment rates are soaring and more Canadians are attempting to turn to Employment Insurance, why did this government choose to help corporate interests over the needs of Canadians?

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)): Is the honourable senator saying that we should have let the whole car industry go down? I do not think so. Is that the policy of the Liberal Party? The honourable senator is wrong.

The Minister of Human Resources and Skills Development introduced a number of measures. As well, there is the question of the regions and the basis for which unemployment is paid. Since October, 41 of the 58 Employment Insurance regions have adjusted, which means that 85 per cent of Canadians now have easier access to longer EI benefits than they had before. As the honourable senator knows, this program was brought in

by the previous Liberal government and there is a regular adjustment of these regions. To help Canadians, we will invest \$5.5 billion more this year in EI benefits.

VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, I draw your attention to the presence in the gallery of Basil Williams, a member of Parliament from Guyana. He is the guest of the Honourable Senator Stratton.

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

[Translation]

DELAYED ANSWER TO ORAL QUESTION

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I have the honour of presenting a delayed answer to a question raised by Senator Dallaire on March 3, 2009, concerning the Quebec City Armoury.

HERITAGE

QUEBEC CITY ARMOURY

(Response to question raised by Hon. Roméo Antonius Dallaire on March 3, 2009)

Our government has promised, and will keep its promise, to do what is necessary to restore the Armoury and implement projects that Quebecers consider a priority.

Within the framework of the 2009 Budget, the Government of Canada allocated \$2 million to hold public consultations with the objective of developing a future plan for the Armoury. These funds will also be used to conduct business case analyses and environmental studies.

The public consultations started on May 15, 2009, and will end on June 15, 2009. A consultant will oversee these consultations and will be assisted by a federal Advisory Committee under the supervision of Public Works and Government Services Canada (PWGSC).

The results of these consultations will be made public and will serve as a basis for drafting a future plan for the Armoury.

ORDERS OF THE DAY

BUSINESS OF THE SENATE

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, pursuant to rule 27(1), I give notice that, when we proceed to Government Business, the Senate will address the items beginning with Item No. 5 under Bills, followed by the other items in the order in which they stand on the *Order Paper and Notice Paper*.

[Senator LeBreton]

[English]

CONSTITUTION ACT, 1867

BILL TO AMEND—SECOND READING— DEBATE ADJOURNED

Hon. Marjory LeBreton (Leader of the Government and Minister of State (Seniors)) moved second reading of Bill S-7, An Act to amend the Constitution Act, 1867 (Senate term limits).

She said: Honourable senators, I am pleased to once again open debate on this important issue, now Bill S-7 and formerly Bill S-4, which I also had the honour to introduce. Bill S-7 amends the Constitution Act to provide that senators appointed after the 2008 election be limited to a single term of eight years.

As all honourable senators well know, this marks the second occasion that this bill has been introduced in the Senate. Unfortunately, Bill S-4 was rejected by the Senate, even though it was supported favourably by a special Senate committee chaired by our former Speaker, the Honourable Dan Hays. The bill did not come to a vote at third reading. Nonetheless, this government remains strongly committed to Senate reform.

Reform is essential to making the Senate an institution befitting a modern, 21st century democracy. The Senate term limits bill is an important step in fulfilling our commitment to strengthen our democratic institutions and bring the Senate into line with more realistic and contemporary practices. Reducing the tenure of senators is a modest but important measure in making the Senate more legitimate in the eyes of Canadians. The government remains hopeful that the Senate will listen to Canadians and embrace the reform that is so plainly needed to reinvigorate this institution.

Virtually every major study of Senate reform and every proposal for Senate reform that has come forward, and there have been many, have addressed the issue of Senate term limits. While the focus of these studies has been, for the most part, on the undemocratic nature of Senate appointments, the issue of term limits has also been prominent. It has been widely recognized that the credibility of the Senate has suffered because its members have no democratic mandate from Canadians. This shortcoming is amplified by the fact that senators can sit in the Senate for 45 years once they receive their appointment.

As the Prime Minister has pointed out on a number of occasions, such lengthy appointment periods are contrary to the evolving democratic ideals of Canadians. Fixed eight-year terms will provide senators with ample time to gain the necessary experience to carry out their important parliamentary functions while ensuring that the Senate is regularly revitalized with new perspectives and new ideas. Limiting Senate tenure to one eight-year term will bring renewal and relevance to the Senate and obviously will improve its effectiveness. Around the world, the vast majority of second chambers have term limits. Whether the chamber in question is elected or appointed, all have embraced term limits.

As I mentioned earlier, Canadians have made it clear that they support Senate reform. If one reviews the opinion polls on this issue over the past two decades, the consistency of the public's view on this matter is remarkable. Clearly, Canadians recognize a need for reform. While they appreciate the importance of the work of the Senate, they instinctively know that it is not fulfilling its potential as a democratic institution. I believe it is our duty as parliamentarians to listen to Canadians, acknowledge that the status quo is not an option and move this issue forward. Bill S-7 is a step in the right direction. I will address the content of the bill.

Bill S-7 will limit new senators to one term of eight years, and that term will not be renewable. The fact that the term will not be renewable is important because this limit responds to a key concern that was raised by some senators during the debate on Bill S-4. Since Bill S-4 was silent on the issue of renewability of terms, there was a possibility that a senator could receive a further eight-year term if summoned again by the Governor General.

Some senators believed that the possibility of a renewable term could compromise the independence of the Senate because senators would adjust their behaviour in order to have their appointments renewed.

• (1520)

Given these concerns, the government indicated its willingness to be flexible on certain aspects of the bill, so long as its principles were not diminished. This amendment demonstrates the government's good faith in and our willingness to respond to senators and work together to ensure that the Senate is reformed in a respectful fashion.

Another important change in comparison with the previous bill is that Bill S-7 maintains the retirement age of 75 years for all senators, whether appointed before or after the coming into force of the bill.

The amendment was recommended by the Standing Senate Committee on Legal and Constitutional Affairs following its review of the previous bill. Again, this demonstrates the government's flexibility and desire to work collaboratively so long as the principles of the bill remained intact.

Another aspect of Bill S-7 that differs from the former Bill S-4 is that the bill makes specific reference to the interruption of a Senate term. In certain cases, a senator's seat may become vacant by reason of resignation or disqualification prior to the completion of an eight-year term. The bill allows for senators whose terms are interrupted to be summoned again to the Senate, but only for the remaining portion of their original eight-year term.

There are also some further important distinctions in this version of the bill as compared to the previous term limit bills. First, the bill contains a transitional provision that will retroactively apply the eight-year term to those senators appointed after October 14, 2008, the date of the last election. Those senators will continue to hold a seat in the Senate for a period of eight years from the date of this bill receiving Royal Assent. Accordingly, this bill will apply to the 18 new senators who were appointed in January of this year. At the time of their

appointment, all 18 of my Conservative colleagues pledged their support to the government's desire to see the Senate reformed. The fact that Bill S-7 will apply to them reflects their principled support for Senate reform for this bill. By doing so, they are demonstrating that they are, and wish to be, part of the solution.

I would also like to raise a related initiative that the government may pursue in the context of this bill. Should the Senate term limits bill be passed, the government is prepared to ensure that term-limited senators are provided with the same severance as members of the other place. This will ensure that term-limited senators are treated fairly in comparison with other parliamentarians.

As I mentioned earlier, honourable senators, I am hopeful that senators will approach Bill S-7 with open minds and not let the deliberations surrounding the original Bill S-4 prejudice the important progress that we can achieve by moving this bill forward.

As I mentioned earlier, the government has addressed the concerns that have been raised, and in response to public concern and the need for Senate reform, has reintroduced this bill here in the Senate because it is what Canadians want and what this institution needs.

While the experience of Bill S-4 could properly be said in a *prima facie* case of why we need Senate reform, I believe concerns that may have existed about the original bill have been addressed, in particular, about its constitutionality.

When the bill was originally introduced back in 2006, the Senate stalled its progress for over a year. While most bills are subject to review once in each chamber by one committee, Bill S-4 was subject to committee review twice in this place. The subject matter of the bill was first examined by the Special Senate Committee on Senate Reform, which, as I said earlier, was chaired by the Honourable Daniel Hays and which had as a witness the Right Honourable Stephen Harper, the first time in Canadian history that a sitting prime minister appeared before a Senate committee.

Then, after this long study by Senator Hays and his committee, who did excellent work, the bill was subjected to the regular committee process in the Standing Senate Committee on Legal and Constitutional Affairs. In an unprecedented delay tactic, the Senate, with its overwhelming Liberal majority, ultimately killed the bill by refusing to allow it to proceed to third reading unless it was referred to the Supreme Court of Canada. This was a shameless tactic that prevented the other place from even studying this bill, and it was especially egregious that the bill was held up for over a year before this stunt was pulled. This despite the fact that the report of the special committee, a committee formed by senators and composed of senators, and, I might add, endorsed by those senators, that the government's overall approach to Senate reform affirmed the constitutionality of the bill.

Many of Canada's leading constitutional experts, including Peter Hogg, Patrick Monaghan and Stephen Scott, appeared before the special Senate committee and supported the government's position on the constitutionality of the bill.

When the bill was reviewed again by the Standing Senate Committee on Legal and Constitutional Affairs, Peter Hogg and Patrick Monaghan wrote to the committee to reiterate their support for the government's constitutional position. The government's position is clear, honourable senators: Bill S-7 is constitutional and there is no need to further delay the reform process with a Supreme Court reference or any other obstructionist tactic.

In conclusion, I must say that while I was disappointed by the Senate's reaction to Bill S-4, I remain hopeful that this time will be different and the Senate will listen to Canadians and embrace reform. The government has listened to senators and shown its good faith by making key changes to the bill. The eight-year terms will not be renewable and the age of retirement at 75 years has been restored. We have shown our willingness to accept the input of senators, and I am hopeful that senators will, in turn, respond by supporting this important and worthy initiative.

Canadians today are not prepared to accept a legislative institution that is unaccountable to the people of our country and, therefore, no argument can be made for continuing with the present situation, which is obviously undemocratic.

While the Senate may have suited the 19th century sensibilities when it was created back in 1867, in our contemporary society, the Senate lacks the credibility to fulfill its role as an effective representative of the regions in the federal legislative process. That is why, honourable senators, it is essential that we continue to pursue practical and achievable reforms that will help to ensure the Senate evolves in accordance with the expectations of Canadians.

Bill S-7 is an important step forward in the reform of our democratic institutions. I would therefore encourage all senators to support this bill and bring the Senate into the 21st century. I very much look forward to the debate on this important piece of government legislation.

Hon. Senators: Hear, hear!

The Hon. the Speaker: Questions and comments.

Hon. Sharon Carstairs: Honourable senators, I want to ask some serious questions because I believe the questions I ask in this place are serious. As the Honourable Leader of the Government in the Senate knows, I have had both a husband and a daughter with cancer, so isotopes are a serious matter to me.

My question with respect to this particular piece of legislation is why the Government of Canada has refused to send a reference to the Supreme Court of Canada with respect to whether or not this piece of legislation can be appropriately amended under the formula the government is suggesting.

Senator LeBreton: I thank the honourable senator and in reference to her first comment, I agree. My own brother is suffering from cancer, and I would not treat anyone suffering from cancer in a frivolous way. Honourable senators, nothing I said earlier would suggest that I would treat a cancer patient in such a way and I resent that anyone would think that of me.

With regard to Senator Carstairs' question about this bill, the government has reliable and constitutional advice from three, and more — three that I have cited — knowledgeable constitutional experts who have declared that this bill, in this form, is constitutional.

The valid argument has been made in the past that with respect to changes like this, as to Senate tenure, there has been precedent in the past. In 1965, the Right Honourable Lester B. Pearson, prime minister of the day, made changes in the Senate structure by eliminating the Senate for life provision and instituting mandatory retirement at the age of 75 years.

• (1530)

Our expert advice is that this is an entirely appropriate way to move forward. In the ensuing debate, if people have different views, they will of course be free to express them, but the government feels confident that the constitutional advice we have received is sound and valid.

Senator Carstairs: The government of the Right Honourable Pierre Elliott Trudeau thought they had the right measure of it as well when they wanted to bring home the Constitution in 1982. However, because there were questions as to whether they had that constitutional authority, they chose to take a reference to the Supreme Court of Canada, which ruled that they did have that authority, although the court said the government should consult with the provinces because that would be the right thing to do, if not necessarily the constitutional thing to do.

In light of past practice, if a prime minister hears different constitutional advice — and this government has heard different constitutional advice — why would the government not have taken a reference when, all things being equal, that reference would have been heard and ruled on in between the time of Bill S-4 and the present introduction of this bill? There would have then been no question of its constitutionality if indeed the Supreme Court said it was constitutional.

Senator LeBreton: A simple bill to change Senate tenure can hardly be compared with the repatriation of our Constitution, as was the case under Prime Minister Trudeau. That is a different set of circumstances.

This bill does not in any way change the structure. It simply changes the tenure of potential senators, those appointed after October 2008. I am quite certain that Prime Minister Pearson did not feel obligated to make a reference for a matter like this back in 1965. We view this one in the same context. I might add that we also had the constitutional advice of our former dear colleague Senator Beaudoin. He also advised on the constitutionality of this proposal.

While I appreciate the honourable senator's argument with regard to the repatriation of the Constitution, this is quite a different matter, and I do not believe it would be factored into considering Bill S-7.

Senator Carstairs: With the greatest respect to the honourable minister, there is nothing simple about amending the Constitution. The Constitution is the most fundamental law of the land, and even if it is a simple word, it is not a simple amendment because it is our Constitution.

When the amendment was made in 1965 to have a mandatory retirement age of 75, the average lifespan of a Canadian was less than 75. It could well be argued that it would not apply to very many people in the overall scheme of things. This bill will impact on every single person who will be appointed to the Senate or elected, as the case may be, in the future.

In terms of the lack of reference to the Supreme Court of Canada, why has the government not sought a federal-provincial conference? The government should ensure itself that the four provinces who wrote to the Standing Senate Committee on Legal and Constitutional Affairs stating they thought this bill could not go forward without the consultation of those provinces have been consulted.

Senator LeBreton: I very much doubt that when Prime Minister Pearson brought in mandatory retirement at the age of 75 the lifespan of Canadians factored into the decision. I find that a bit of a stretch.

With regard to this bill, I can only report that our constitutional experts and other officials have advised that amending the Constitution in regard to Senate tenure is completely within our right as a government and a Parliament.

A wholesale reform of the Senate would require constitutional discussions with the provinces and the 7/50 rule would apply. Federal-provincial meetings on the issue of Senate reform would be required. There is no climate now for such discussions. Perhaps it would take some time for that type of wholesale Senate reform to take place. The government introduced this bill in response to a need for democratic reform and our commitment to do what is doable under the present set of circumstances, without getting into wholesale reform of the Senate because obviously that would not be doable under the present-day circumstances.

We are advised by our constitutional experts that approaching the matter this way and taking the first step in order to have Senate reform is a completely legitimate way to proceed. The honourable senator may have her views. The government chose to accept the advice of the constitutional experts we consulted, which of course have been consulted by all governments in the past, whether Liberal or Conservative. We believe we have sound constitutional grounds on which to proceed.

Hon. Joan Fraser: Speaking of the Trudeau government, I do recall that they once tried to bring in rather massive and significant changes to the Senate and, rather to their surprise, were told by the courts that they could not do so.

I have two questions. The first has to do with the leader's reference to interrupted terms and to the possibility of senators being summoned back after their terms are interrupted for, among other things, disqualification.

As all honourable senators know, it is not easy to lose your seat in this place, for good reason, because they want us to be independent. The grounds upon which you can lose your seat include, notably, being convicted of a serious criminal offence. Is my honourable friend suggesting that a senator who has been convicted of a serious criminal offence could just be reappointed?

Senator LeBreton: We do not envisage such a situation at all, but there could be, so we were trying to address all possibilities. A senator might have his or her term interrupted for some reason other than those we know would automatically disqualify. A government may ask a senator to step away from the Senate to take on another major role, such as heading up a royal commission or serving as an ambassador or high commissioner. A senator may take leave of the Senate for an illness that is curable but will take them away for quite some time. This provision was to accommodate those people, not to overrule the already solid rules that one hopes would be respected with regard to people who have serious criminal charges.

• (1540)

The intent is for legitimate interruption of service. A person serving as a valuable member of the Senate can be called away for an important position. The intent is that they not be penalized and can return and continue their work in the Senate.

Senator Fraser: I thank the Leader in the Government for that answer. It may be harder to translate into legal language than it is to explain in lay language.

My second question relates to the retroactive provisions of this bill applying to our 18 new colleagues. They were appointed under the constitution as it now stands, and it says that as long as they remain qualified, they serve in this place until age 75. Can the Leader of the Government in the Senate give us precise detail on the constitutional grounds upon which the government believes that it can now retroactively change the constitutional provisions applying to those senators.

Senator LeBreton: Honourable senators, the eight-year term for those senators takes effect only upon the coming into force of the bill. I made it clear in my remarks that the 18 senators, and I am happy they agreed to serve in this place on this side of the chamber, undertook to support this particular section of the bill in support of the government's Senate reform initiatives. That support speaks more to their integrity than to what might be applicable constitutionally. I can assure the honourable senator that the officials and the constitutional experts who looked at this provision felt that it was a reasonable part of the bill, and that is precisely why the eight years does not kick in until the coming into force of the bill.

Having said that, this bill was made possible by the commitment and the support for Senate reform by my 18 colleagues appointed into this place in January of this year.

Senator Fraser: No one is casting aspersions on the integrity of your colleagues. That was not the issue. I will ask the minister to take as notice, please, my request for a more detailed explanation of the constitutional underpinnings of this specific provision, because I am not aware of what they might be, and they will help senators on deliberations on this bill.

Senator LeBreton: Honourable senators, I kicked off the debate. In the fullness of debate in the Senate, and obviously in honourable senators' work in committee, it is incumbent upon senators who wish to have details or challenge issues like this one to take that as part of their responsibilities as they study this bill

and listen to witnesses. I will not make a commitment to do the honourable senator's homework, as that is her responsibility, but I will bring her comments to the attention of my colleague, the Honourable Steven Fletcher, and also to his officials.

Hon. Jeremiah S. Grafstein: Honourable senators, I have a brief question to the Leader of the Government in the Senate. Is this course that she proposes to the Senate dangerous if there is a reasonable probability that there could be a constitutional challenge to the bill? As she has pointed out, there are divided opinions on this issue, but she believes, if I take her comments in context, that on the balance of probabilities, the opinion is that the bill is constitutional.

Let me take the other side and assume for the moment, on the balance of probabilities, that there is a strong view, perhaps not the majority view, that the bill is unconstitutional.

Legislation in this country depends on three pillars: the approval of the other place, the approval of this place and Royal Assent. In times of stress such as we are confronting now, legislation can be passed by both houses and assented to, a province or individuals can challenge that legislation on a constitutional basis, and the Supreme Court can be faced with the situation that the bill is unconstitutional. If that situation occurs, everything that has happened between the introduction of the bill and legislation thereafter is unconstitutional, causing great chaos in the country. Is this course that she proposes not dangerous, and would it not be simpler, as other colleagues on this side have said, to refer this matter quickly to the Supreme Court of Canada for a determination?

Senator LeBreton: I said in my remarks that different views will be expressed during the course of the debate. Obviously, there are people in this chamber who do not support, or agree with, the government on this matter. That said, I want to make it crystal clear that the government is proceeding with this legislation believing that it is constitutional, and relying on constitutional experts who have so advised us.

We are not tabling this bill to kick off a constitutional debate. We believe it is constitutional, based on sound advice of constitutional experts. I will not engage in a debate of "what if" or "why not." I tabled the bill. The government believes it is constitutional. The expert advice we received is that the bill is constitutional.

The bill is now before us, and it is incumbent upon us now to study the legislation, as we do with all government legislation. Everyone will have their say, I am sure, but I want to make it clear that the government would not table a piece of legislation that it did not believe was constitutional, based on the advice it received.

Senator Grafstein: We have had this debate before about constitutional views and constitutional opinions. I see Senator Nolin agreeing with me. We have had discussions about this issue. To rely on government, the ministry and opinion does not necessarily mean that a bill is sound.

I draw to the leader's attention the extradition bill and its amendments. We heard opinion in this place on both sides that the bill was constitutional. We then heard in committee that the

bill was constitutional. We heard in third reading that the bill was constitutional. Senator Joyal and I disagreed with the majority on this side and that side. Subsequently, the bill went to the Supreme Court of Canada, and the Supreme Court of Canada said that it was unconstitutional. That bill dealt with extradition. There is no fail-safe here with respect to opinions received by governments.

My point is, is it not dangerous for the government to take a chance that this minority opinion, if it is a minority opinion, might not be well received by the Supreme Court of Canada, and therefore, the court could overturn the bill and put the country in chaos?

• (1550)

Senator LeBreton: That is what Parliament is all about, honourable senators. We will have the debate. We have tabled this bill; we have listened to Canadians; we have made a commitment to move forward with Senate reform; and we have based this on sound advice. The honourable senator may disagree and it is his right to do so. I will not, on the tabling of this bill, get into a debate as to the what-ifs. I am simply saying the government tabled this legislation believing it to be constitutionally sound, based on very solid advice. However, if Senator Grafstein is concerned, that is what the Senate and Parliament are all about. The honourable senator can express his concerns in the debate, but I do not want for one moment for anyone to believe, because it is not the case, that we are simply putting this bill forward to kick off some debate as to whether we should have been doing it because of the constitutionality of it. We believe it is constitutional. That is why we have tabled the legislation. There is not much more I can say.

Hon. Terry M. Mercer: I have a question for the Leader of the Government in the Senate. Why have we not discussed this bill with the courts? Why have we not consulted with the provinces? All senators represent their respective regions. I am one of 24 senators from the Maritimes, one of 10 from Nova Scotia. I see my role as representing the people of Nova Scotia as best I can.

Has the government consulted the provinces? If not, will the government consult the provinces? We heard the opinion of the Quebec National Assembly. We have heard other premiers make statements, and it changes. I suspect that tomorrow morning the opinion of the government of Nova Scotia will be dramatically different than it is today because of today's election.

It is important that this place was built around representing the regions and the equality of the regions. That is why there are 24 senators from the Maritimes, 24 senators from Quebec, 24 from Ontario and 24 from the West. We could talk about the inequity of that representation. Western Canada did not have a large population when Sir John A. Macdonald put the Senate together. My concern is that the regions are important. This is the only place in the country where the Maritime region has the equality in numbers to Ontario and Quebec, and will probably be the only place where we ever will. It is vitally important that we consult with the premiers of the four Atlantic provinces. I would like to hear what Premier Ghiz has to say. I would like to hear what Premier Williams has to say, what Premier Graham in New Brunswick has to say, and what the

premier is of Nova Scotia has to say, whoever he is tomorrow. It is important for these people to come to the table. If we get into a constitutional battle and we go to the court, guess who may also be against this — the same premiers who are in place today. I want to know about the consultation with the provinces.

Senator LeBreton: Honourable senators, this bill has nothing to do with and does not in any way change the makeup of the Senate and the regional representation of the Senate.

On the Senate tenure bill — and I went through this on Bill S-4 — the provinces' concern with Senate reform was in fact the very issue the honourable senator raised, of regional representation. The provinces have not involved themselves in the debate on the simple matter of Senate tenure.

I know what the honourable senator is saying about regional representation. That is another debate, because there are parts of the country that feel they are underrepresented. None of that is relevant in terms of Bill S-7, the Senate tenure bill. Nothing changes with the eight-year tenure.

I am certain that every region in the country will be able to produce excellent senators to represent those regions who will be happy and willing to serve in this place, representing their region for the eight years. I fail to see the point of the honourable senator's argument. Regional representation, which of course is one of the features of the Senate, is not in any way affected by this legislation.

(On motion of Senator Joyal, debate adjourned.)

CANADIAN AGRICULTURAL LOANS BILL

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Duffy, seconded by the Honourable Senator MacDonald, for the second reading of Bill C-29, An Act to increase the availability of agricultural loans and to repeal the Farm Improvement Loans Act.

Hon. Francis William Mahovlich: Honourable senators, I rise today with the privilege to speak on Bill C-29, an Act to increase the availability of agricultural loans and to repeal the Farm Improvement Loans Act.

Farmers are the backbone of Canada. For many years, I have worked hard, with many of my colleagues, to promote the plight of farmers from coast to coast. Only last year, the Standing Senate Committee on Agriculture and Forestry released its multi-year study into the situation of rural poverty in Canada. We were met at nearly every turn with the harsh realities farmers in this country face. Operational costs are rising, but revenues are not.

[*Translation*]

Unfortunately, some of the people we met were forced to leave farming because they just simply could not afford it.

[*English*]

Our Canadian farmers do not need to become a distant memory. Rather, we need our farmers to be strong and reliable for the country.

In fact, honourable senators, Canada is the fourth largest agricultural and agri-food exporter in the world. Just last week, the Foreign Affairs and International Trade Committee heard from witnesses who told us that in 2007, Canada exported \$34 billion worth of agricultural products. This shows that not only do we need to keep our Canadian farms strong for our own domestic needs, but we also need them to help us generate billions of dollars annually to help the Canadian economy.

That is why, honourable senators, Bill C-29 is so important. One of the main goals of this bill is to help make credit available to new farmers — that is, those who have been in the farming business for six years or less. It will help to provide these farmers with an eligible loan rate of up to 90 per cent. It also aims to double the loan limits for farmers to \$500,000 for real property and increase the limit for all other farming purposes from \$250,000 to \$350,000. These improvements will surely be a big help to Canadians who are trying to get their farms started. Of course, farmers will need to have access to these funds in a timely manner. This bill also addresses this need, as it aims to develop and implement an online electronic delivery system to help reduce the wait time to process the loan applications, and also simplify the claims submission process.

This bill also addresses agricultural cooperatives. Currently, there is a 100 per cent farm-owned requirement to participate in the program. This bill responds to the requests of many agricultural stakeholders for that 100 per cent number to be reduced.

With the passage of this bill, the new requirement would be 50 per cent plus 1 farmers for agricultural cooperatives, thereby potentially expanding these benefits to a whole group of farmers who need them.

[*Translation*]

Although I agree with the principles of this bill, I would like to comment on some aspects that the honourable senators could discuss in greater detail if this bill is sent to committee.

• (1600)

[*English*]

For example, the loans farmers would take out through this program would be a variable rate based on prime. Currently, the interest rate in Canada is at an historic low. However, interest rates were in the double digits not 20 years ago. I would hate to see farmers hit with rising interest and inflation rates that are out of their control.

Another criticism of this bill brought forth by at least one financial institution is the fee that farmers must pay to participate in this program. While it is a relatively small fee of 0.85 per cent of the loan, it would still add unnecessary hardship for new farmers. There has also been a call to have the loan amounts raised even higher so that these new farmers would have a larger financial net to support their growing operation.

As I stated previously, I generally agree with this bill and feel it is of the utmost importance to help our Canadian farmers. These are issues that we, as the chamber of sober second thought, may wish to address.

Implementation will take place upon Royal Assent. I urge honourable senators to give this bill thorough study, yet speedy passage. As we rely on the farmers of this great country to provide us with fresh and healthy food, they rely on us — their representatives in Parliament — to provide them with the support they most rightly deserve.

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

Hon. Senators: Question.

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

(Motion agreed to and bill read second time.)

REFERRED TO COMMITTEE

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

Hon. Michael Duffy: With the concurrence of the house, I would like to send this bill to committee where we are hoping that the Minister of Agriculture will address the issues raised by my friend across the way on Thursday morning.

(On motion of Senator Duffy, bill referred to the Standing Senate Committee on Agriculture and Forestry.)

CANADA—PERU FREE TRADE AGREEMENT IMPLEMENTATION BILL

SECOND READING

Hon. A. Raynell Andreychuk moved second reading of Bill C-24, An Act to implement the Free Trade Agreement between Canada and the Republic of Peru, the Agreement on the Environment between Canada and the Republic of Peru and the Agreement on Labour Cooperation between Canada and the Republic of Peru.

She said: It is my pleasure to rise in the chamber today to speak about Canada's new free trade agreement with Peru, our first free trade agreement in the Americas since 2001.

As a trading nation, Canadian companies, producers and investors need access to international markets to stay competitive. Like all nations, Canada is facing what is perhaps the gravest

economic challenge in generations. Our response to this crisis depends on keeping the doors open to international trade and investment. Canada has committed to playing an active role in the Americas and to building strategic relationships with key partners in our neighbourhood.

Peru is a leader in Latin America, a linchpin in the political and economic stability of the region. It has been an economic engine with a GDP growth rate of 9.8 per cent in 2008, which is the best among Latin American countries and higher than that of China and of India. Results, perhaps, will not be as optimistic this year.

Peru also has a solid outward orientation. As a leader in trade liberalization, Peru is currently pursuing trade negotiations with a number of countries.

As it stands, Canadian exporters are at immediate risk of losing markets in Peru due to the entry into force of the Trade Promotion Agreement with the United States on February 1 of this year. Peru has also recently completed trade negotiations with China and EFTA and is negotiating with the EU, South Korea, Mexico, and Thailand.

Our firms and Canadian workers deserve trade agreements that address this situation and allow them to compete in international markets on a level playing field. Canadians will benefit. Peru is also an established and growing market for our businesses. In 2008, two-way merchandise trade between our countries totalled \$2.8 billion.

With this new agreement, our nations are taking a critical step to intensify our commercial relationship in the years ahead and to create new opportunities for citizens in both countries to prosper.

Upon its implementation, Peru will eliminate tariffs on nearly all current Canadian exports, including wheat, pulses and mining equipment. A variety of paper products, machinery and equipment will also enjoy the same benefit.

The Canada-Peru Free Trade Agreement also provides a great opportunity to take our current trade in services to a new level in the years ahead. In 2006, the most recent year where statistics are available, Canada exported \$33 million worth of commercial services to Peru. This new agreement provides a wonderful opportunity to grow this number in the years ahead and continue boosting the level of cross-border trade enjoyed by our two countries.

Canadian investors, too, have a significant presence in the Peruvian market. Even before this agreement, Canada and Peru made a firm commitment to enhancing two-way investment through a joint Foreign Investment Promotion and Protection Agreement, FIPA, which entered into force in 2007. In fact, Canada is one of Peru's largest overall foreign investors with an estimated \$2.3 billion worth of investment stock in Peru in 2008, led by the mining and financial services sectors.

This free trade agreement builds on the existing FIPA and gains new ground for Canadian investors. Specifically, it includes strong obligations that will: ensure the free transfer of capital related to investment; protect against expropriation without prompt and adequate compensation; and provide for non-discriminatory treatment of Canadian investors.

The investment chapter of this agreement clarifies that the parties can take non-discriminatory measures to protect legitimate public welfare objectives, such as health, safety and the environment. It also provides for an effective, binding and impartial dispute-settlement mechanism. In other words, the agreement provides the security, stability and predictability that investors need.

On government procurement, the agreement guarantees Canadian suppliers the right to bid on a broad range of goods, services and construction contracts carried out by Peru's federal government entities. It is no wonder that Canadian businesses, in a number of sectors, have been strong advocates for this agreement. Their support has been crucial throughout the negotiating process, which began in June 2007. The results have culminated in this agreement and we should be proud of their shared role in this process.

• (1610)

With this new agreement, our nations are taking a critical step to intensify our commercial relationship in the years ahead, and to create new opportunities for citizens in both countries to prosper.

We have negotiated a high-quality and comprehensive free trade agreement, covering everything from market access for goods, to cross-border trade in services, to investment and government procurement. Canadian exporters, service providers and investors will benefit. The agreement will create new opportunities for Canadian businesses and producers in the Peruvian market.

However, an effective free trade agreement should do more than eliminate tariffs. It should also tackle the non-tariff barriers that keep a trade relationship from reaching its full potential.

This agreement includes new measures to ensure greater transparency, including better predictability of incoming regulations and the right of industry to be consulted at an early stage in the development of regulations, promoting the use of international standards and creating a mechanism to address these problems promptly.

By this agreement, the Canadian government is taking action on a number of fronts to unlock the trade potential inherent in our Canada-Peru relationship. However, this agreement is significant for other reasons, too. This agreement is also accompanied by important parallel agreements on labour cooperation and the environment. These agreements demonstrate our joint commitment to corporate social responsibility, the rights of workers and preserving the natural environment.

The Canada-Peru Labour Cooperation Agreement, LCA, will help strengthen labour rights and the protection of workers. The agreement commits both countries to ensuring that their laws respect the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work.

This declaration covers the right to freedom of association and to collective bargaining, the abolition of child labour, the elimination of compulsory labour and the elimination of discrimination. This labour agreement opens up new pathways for cooperation. Canada is offering its resources and expertise to help Peru fully implement this agreement, and the government has announced a \$1-million labour-related cooperation program.

With respect to the environment agreement, Canada and Peru have committed to pursuing the highest possible levels of environmental protection as we intensify our commercial relationship. A special focus is being given to corporate social responsibility and the preservation of biodiversity, which are important issues for Peru, given that it is home to some of the most diverse biological resources in the world.

Canada is committed to working with Peru and Canadian companies to help protect and conserve these resources. This agreement complements the Government of Canada's recently-announced Corporate Social Responsibility Strategy which will increase the competitiveness of Canadian extractive-sector companies operating abroad by enhancing their ability to manage social and environmental risks.

Peru and Canada recognize that prosperity must not come at the expense of either workers' rights or the environment. We share a belief that open markets and international trade are the best hope for fostering development and our common security in the hemisphere.

In fact, this approach builds on the successful experiences to date with our free trade partners in the United States, Mexico, Chile and Costa Rica. It is recognized that prosperity cannot take hold without security. It cannot take hold in the absence of freedom and the rule of law brought about through the pursuit of democratic governance. A good, healthy democracy cannot function without a sound underpinning of personal security and the chance to improve standards through increased trade and environment. They go hand in hand.

That is why working closer with partners like Peru, in my opinion, will influence positive changes in the region and will promote principles of sound governance, security and prosperity. Taken together, these agreements mark a new chapter in the Canada-Peru relationship, one that will forge an even stronger bond between our nations in the future.

They also mark a milestone in Canada's trade policy. In this day of fierce global competition and overall economic uncertainty, I believe that, by taking the measures necessary in this agreement and elsewhere, we will continue to create a resilient and competitive Canadian economy in the years ahead. We need to move expeditiously to help our businesses grow and change.

As I noted, the United States already has preferential access to Peru's markets for their exports and government procurement. That is why I urge all honourable senators to support Bill C-24 so that we can implement it without delay and ensure that our Canadian industry, producers, workers and investors can begin creating the opportunities that our nation needs to be competitive.

We must position ourselves for success, and I believe this agreement is one step in that success. It is imperative in the current economic climate that Canada pursues an aggressive trade and investment agenda. By doing so, we will not only move a little better through this crisis, we will establish long-term new opportunities for growth, and we will strengthen Canada's proud heritage as a trading nation.

I urge all senators to enter into the debate, both here and in the committee. Hopefully, we can move the bill through the Senate expeditiously, as I believe it is in our interest.

Hon. Percy E. Downe: Honourable senators, I want to join the debate about Bill C-24, an Act to implement the Free Trade Agreement between Canada and the Republic of Peru.

Peru is becoming an important trade partner to Canada. Our trade with Peru has increased in recent years. Our two-way trade totalled \$2.8 billion in 2008. According to the World Trade Atlas, since 2003, Canadian exports to Peru have increased from \$134 million to over \$380 million in 2008, an increase of 186 per cent. In the same time period, Canadian imports from Peru have grown from \$260 million in 2003 to over \$2.4 billion in 2008, an increase of over 800 per cent. Overall, Canadian direct investment in Peru was estimated to be \$1.8 billion in 2007.

Canada is also a major foreign direct investor in Peru's mining sector. In addition, key sectors of interest to Canadians other than mining include oil and gas, engineering, distribution services, financial services and information technology.

In the financial sector, senators may be surprised to know that the Bank of Nova Scotia is the third-largest bank in Peru. Given the outstanding reputation of Canadian financial institutions, increased relations with Peru will present new opportunities to expand in that area.

Negotiations for a free trade agreement with Peru started in 2002 when Canada held discussions on a potential agreement with a number of South American countries. These negotiations concluded with the signing of the Canada-Peru Free Trade Agreement on May 29, 2008.

• (1620)

This marks Canada's first free trade agreement in the Americas since 2001, when Canada completed a bilateral agreement with Costa Rica. It represents a good step forward in terms of Canada's engagement with South America.

This increased economic engagement is a step in the right direction for building Canada's relationship with Peru, and offers opportunities for its citizens to address important priorities, such as the reduction of poverty.

The free trade agreement includes chapters on service trade, investment protection and recognizes Peru as a developing country. Side agreements on the environment and labour were also negotiated with the trade agreement. These side agreements, honourable senators, have not been incorporated into the Canada-Peru Free Trade Agreement. Therefore, they are outside of the main agreement dispute settlement system.

The Canada-Peru Agreement on Labour Cooperation includes occupational health and safety protection and minimum employment standards, such as minimum wage and hours of work. Parties can request that a review panel appointed by both countries report and rule on a labour-related dispute. The panel determines the amount of any financial penalty, which is paid into a jointly managed fund. Both countries determine together, through a ministerial council, how to spend the money.

Considering the growing importance of trade with Peru, Canadians looked to the federal government to negotiate a strong and effective agreement to improve access to new markets and improve overall trade opportunities. However, questions are being asked about this agreement. Did the Government of Canada fail to negotiate an effective free trade agreement for Canada? Did the government fail in comparison to the trade deals negotiated by other countries?

While the Department of Foreign Affairs and International Trade will advise that 95 per cent of Canadian exports will be tariff-free and 97 per cent of Peruvian imports to Canada will be tariff-free as a result of implementing the agreement, I would like to advise senators that after a careful review of this agreement, you will discover that Canadians will not realize all of these benefits for quite some time. In fact, the tariff elimination schedule extends up to 17 years.

The Canada-Peru Environment Agreement does not allow for financial penalties for non-compliance. The United States of America negotiated with Peru to have provisions on the environment incorporated into their free trade agreement, making them subject to the main dispute resolution mechanism.

The government could have used this opportunity to show leadership on the environment, to show Canadians and the international community how important the environment is to Canada in the context of trade, but the government has not done this. It chose not to include cooperation on the environment in the actual free trade agreement.

Why has Canada not negotiated a stronger deal with Peru? As senators know, Canada is not the only country that has negotiated free trade agreements with Peru. The United States-Peru Trade Promotion Agreement was passed in Congress in December 2007. In November of 2008, it was announced that a China-Peru Free Trade Agreement was reached; and a Peru-Chile Free Trade Agreement was signed in August of 2006.

Trade negotiations are also ongoing between Peru and the European Union, Thailand and South Korea, and Peru is involved in the discussion to expand the Trans-Pacific Strategic Economic Partnership Agreement.

How does the Canadian agreement compare to others? I have already highlighted the weakness of the agreement on the environment, but another major area where our trade agreement falls short is in the protection of intellectual property rights, an important policy area for Canada. In today's global economy, the Government of Canada should do more to protect and enforce intellectual property rights.

Other governments seem to have made this a priority in trade negotiations, so it is unclear why the Canada-Peru agreement only reaffirms our commitment to the WTO trade-related aspects of intellectual property right agreements, which establishes the minimum standard of protection.

The Canada-Peru Free Trade Agreement has very few references to intellectual property rights and they are expressed in general terms. The agreement lacks any specific articles that would address the needs of Canadian exporters and importers, considering the diversity and complexity of intellectual property right issues.

Why did the Government of Canada not do more to protect intellectual property rights? Compare, for example, the U.S.-Peru trade agreement, which contains a whole separate chapter on intellectual property rights and requires that both countries ratify a number of international agreements concerning intellectual property rights. It has more detailed provisions addressing the specific issues related to digital products such as software and music, domain names on the Internet, copyrights, patents and other issues.

The U.S.-Peru agreement contains elements to improve protection of trademark, requiring Peru to develop an online system for the registration and maintenance of trademarks. The Canada-Peru agreement does not. The U.S. free trade agreement ensures that the first person who acquires a right to a trademark or a geographic indication is the person who has the right to use it. It criminalizes end-use piracy and it includes an article on enforcement. None of these protections is available under this weak agreement the federal government negotiated for Canada.

Even the China-Peru Free Trade Agreement contains provisions to protect intellectual property rights. Although the European agreement is still in the negotiation stage, we know that the two countries are working toward an ambitious plan that would include provisions on intellectual property and a dispute settlement mechanism.

The United States-Peru Trade Promotion Agreement also goes further than the Canadian agreement by including specific provisions for trade in textiles and apparel. In agriculture, the United States benefits from a shorter tariff reduction schedule and is not subject to Peru's Price Band System, which sets a minimum and maximum import tariff for goods adjusted to international price changes, putting the United States at a competitive advantage compared to Canadian producers.

An important industry for my home province of Prince Edward Island, the potato industry, is only one example of Canadian industries that are being put at a disadvantage when exporting to Peru. Tariffs on potatoes are eliminated immediately for the United States, but Canadian potato producers, with the exception of seed potatoes, have to wait 10 years to obtain the same benefit. Markets will be lost over those 10 years and it will be impossible to recapture that business.

Probably the biggest omission in the Canada-Peru Free Trade Agreement was discussed by the president of the Canadian Federation of Agriculture when he appeared before the House of Commons committee. He said:

... if another country negotiates something with Peru in the future, there is a clause in the agreement that the U.S. will

obtain the same consideration. Canada was not able to put the same clause in our agreement. So if, for example, Europe obtains something better with Peru than what the U.S. has, the U.S. will have it. If Europe negotiates something better with Peru than Canada has, Canada will not have it. We did not include that part in our deal.

Honourable senators, another important issue in this debate is the recent decision by the government to decrease the number of countries of focus at the Canadian International Development Agency. While Peru has now been added as a country of focus by CIDA, other countries that desperately need development assistance are no longer Canadian priorities.

Cambodia, Kenya and six other African countries have been dropped by CIDA. These African countries were dropped so Peru could be added.

• (1630)

When making the announcement, the Minister of International Cooperation, Bev Oda, said:

While continuing to provide assistance to the people in greatest need, focusing our bilateral assistance will make our aid dollars go further and make a greater difference for those we help.

However, according to the 2007 development cooperation report of the Organisation for Economic Co-operation and Development, less than 1 per cent of Peru's gross national income comes from official development aid. It is a very different situation for some of the countries dropped by CIDA. In Rwanda and Malawi, over 20 per cent of gross national income comes from net development assistance. Why is the Canadian government linking trade with assistance?

What about Bill C-293, the Official Development Assistance Accountability Act, which passed the Senate in 2008. The act requires that international assistance contribute to poverty reduction.

Many Canadians have expressed their concerns about the government's linkage between trade and international development aid. Canadians are wondering if the decision to change CIDA's countries of focus has more to do with trade than it has to do with living up to the promise to assist the many citizens of the world who live in poverty. However, Canada's merits as a trading partner, the quality of Canadian products and our service expertise speak for themselves. International development funds should not be used to further trade goals.

The fact that the U.S.-Peru Trade Promotion Agreement came into effect February 1, 2009, means that Canadian exports are now at a competitive disadvantage in many sectors. For example, Canadian wheat exporters face a 17 per cent tariff on goods entering Peru, whereas U.S. exporters receive duty-free treatment.

That being said, it is very important that we consider this trade agreement carefully. In committee, we can have a full discussion about the agreement, including its many omissions, compared to the protection that other countries negotiated for their citizens. We can question why our government failed to negotiate a better

deal for Canadians and why the government failed to negotiate a deal equal to that obtained by the United States and other countries. We should hear directly from stakeholders to learn how this deal will work for Canadians and how increased economic engagement through this agreement will address issues in Peru, including human rights concerns.

In conclusion, honourable senators, Canada deserves a first-rate free trade deal with Peru, not this second-rate package negotiated by the federal government. Let us work to improve the deal.

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

(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 Andreychuk, bill referred to the Standing Senate Committee on Foreign Affairs and International Trade.)

WAR VETERANS ALLOWANCE ACT

BILL TO AMEND—SECOND READING

Hon. Michael A. Meighen moved second reading of Bill C-33, An Act to amend the War Veterans Allowance Act.

He said: Honourable senators, it is my great pleasure to speak to Bill C-33, An Act to amend the War Veterans Allowance Act.

Last fall, this government made a promise to support low-income Allied veterans living in Canada. We promised to extend to them benefits offered by the Department of Veterans Affairs.

Prior to 1995, these brave men and women who fought for our Allies during the Second World War and who immigrated to Canada following the war received considerable support and many benefits from the Canadian government. Those living on a fixed income had access to vital programs that allowed them to enjoy life and contribute to their communities.

These programs included the War Veterans Allowance, the Veterans Independence Program, health care and support, long-term care, emergency financial assistance, as well as a dignified and proper burial where circumstances would not allow otherwise.

[*Translation*]

Honourable senators, during the Second World War, members of the Allied forces fought side-by-side with Canadians to valiantly defend our common values of freedom, democracy and the rule of law.

[Senator Downe]

After the war, they immigrated to Canada and contributed their skills and trades. In fact, they were recruited by our government to help Canada prosper in the post-war economic boom. They settled here with their families and continued their longstanding tradition of service to Canada in various ways.

They removed the uniform of the Allied nation for which they fought and set to work enriching our nation in a modest and determined fashion.

[*English*]

That was until 1995 when the government of the day changed the rules.

Honourable senators, Bill C-33, if passed, will give once again these most deserving of residents access to vital programs, services and benefits such as the War Veterans Allowance and the Veterans Independence Program; and supports such as health care, long-term care and emergency financial assistance. The bill would also provide a dignified and proper burial where circumstances would not allow otherwise. With this bill, Canada's low-income Allied veterans would once again be able to live out their years in dignity and with honour.

Our commitment to Allied veterans does not end there, honourable senators. Bill C-33, if passed, would also include those who fought for Allied forces during the Korean War as well. They, too, would be able to access these valuable services and benefits.

As well, honourable senators, eligible family members of both groups of Allied veterans may also receive some of these benefits if this bill is passed. Bill C-33 is our commitment to recognize the same self-sacrifice of the unspoken heroes who were often left behind on the home front. This legislation reinforces Canada's appreciation of the loss and sacrifice that Allied veterans and their families endured during their service.

Honourable senators, I am proud of the mission of this government to provide exemplary services and benefits that focus on and respond to the needs of all of Canada's veterans and their families. We have demonstrated this commitment many times over the past three years. We have implemented many new initiatives that will have a positive effect on the lives of Canada's veterans.

We promised to implement the New Veterans Charter, and we did. We promised to adopt a veterans bill of rights, and we did. We promised to appoint Canada's first veterans ombudsman, and we did. We promised to expand the Veterans Independence Program for surviving spouses, and we did. We promised to double the number of operational stress injury clinics funded by Veterans Affairs Canada, and we are doing that. We remain committed to ensuring that our policies, programs and services meet the needs of all of Canada's veterans today and in the future.

[*Translation*]

Honourable senators, on November 11 each year, many Canadians pay tribute to our veterans and members of the Armed Forces. Ceremonies are held at cenotaphs throughout the country. These monuments are tangible symbols of their valour and bravery.

But I believe that the heritage of these remarkable individuals should not be marked solely by granite and rock.

[English]

These solid reminders should be strengthened by actions and supported by deeds that are real and meaningful to allow these brave men and women to live out their golden years in comfort and without worry. Canada must have the capacity and willingness to stand for what is right. What is right, honourable senators, is to ensure that those who served in the Allied forces and who chose Canada as their new home are provided the benefits that they require. The government is making this commitment now and for the future. I am proud to support this legislation and confident that all honourable senators will share this view.

• (1640)

This bill is one more way of ensuring that veterans are treated with the fairness, dignity and respect they have earned. Honourable senators, it is the right thing to do.

Honourable senators, I have spoken to the Deputy Chair of the Subcommittee on Veterans Affairs, Senator Banks, who advises he does not wish to speak at second reading and believes, as I do, that this important bill should be sent off to committee without delay so, hopefully, passage can be achieved before the summer recess and these low-income veterans will be in a position to access the benefits they so richly deserve.

Hon. Lorna Milne: Will the honourable senator accept a question?

Senator Meighen: Yes.

Senator Milne: Since this bill will allow spouses' survivor benefits to veterans from other armies, I am assuming, I continually hear from Joyce Carter —

Senator Meighen: As do I.

Senator Milne: — who is a spousal survivor of one of our own veterans and who still has not received the allowance that the Prime Minister promised to her personally, nor have other spousal survivors.

When will spousal survivors receive their benefits? Will this happen before this bill comes into effect?

Senator Meighen: I cannot give Senator Milne an assurance on that matter. All I can tell the honourable senator is that I have raised this matter, as I am sure she has, with the Minister of Veterans Affairs, who I know has responded to Ms. Carter. I understand that his response was not satisfactory to Ms. Carter, but I am prepared to reiterate her concerns to the minister and see whether, under this legislation that applies to spouses of allied veterans, as the honourable senator so correctly said, it will achieve the effect of satisfying, at least in part, some of Ms. Carter's concerns. I do not know whether she falls under this bill. I cannot tell the honourable senator that. I know that the

minister's view is that she does not fall under the benefits provided by the present independence program for spouses of veterans.

Hon. Percy E. Downe: Will the honourable senator take another question?

Senator Meighen: Certainly.

Senator Downe: Honourable senators, this bill passed the House of Commons in a matter of minutes. The members were of the view it was for the benefit of veterans; therefore, we are all in favour. Nobody is opposed to that benefit in either chamber, but the bill never went to committee for any scrutiny.

There are concerns in the bill, particularly about resistance fighters. Is it the intention to refer the bill to committee? Second, quoting the wise words of then opposition member Senator LeBreton many years ago — no minister, no bill. Will the minister appear before the Subcommittee on Veterans Affairs?

Senator Meighen: Honourable senators, the answer is that the bill will be referred to the Standing Senate Committee on National Security and Defence and that committee, as is the custom, will refer the bill to its Subcommittee on Veterans Affairs. Hopefully, that referral will take place tomorrow at a short meeting of the Standing Senate Committee on National Security and Defence.

If members want the minister present, I am happy, in my capacity as chair of the subcommittee, to see whether he is available. Otherwise, I am sure officials from the department can be made available.

As the honourable senator appreciates, while I have no objection whatsoever — I do not think anyone would — to having them testify, the important thing is that this bill is passed before the summer recess. The challenge, apparently, is that if it does not, then we will miss the January 1, 2010 deadline giving veterans these benefits they so richly deserve.

However, if it becomes necessary and we agree to hear testimony, then that presumably could be heard on June 17. Hopefully, we will then have enough time to pass the bill, send it back to the House of Commons and have it given Royal Assent before the house rises and before this chamber rises.

Senator Downe: I agree that it is important to pass the bill, but it is also important that we pass good legislation. Members of Parliament in the House of Commons once again have not acted responsibly. If they spent less time preparing for Question Period there and more time in committees studying legislation, we would all be better off.

The concern I have about this bill, as not all senators will be present at the Veterans Affairs Committee meeting — although I hope they will all attend — is the creeping and expansion of the original intent. This legislation is similar to what used to be on the books under the previous Liberal government. It was then dropped because resistance fighters were added by tribunal boards in the department at the time, and they were added later by the Federal Court to reinforce that decision. That addition ended up causing a host of problems.

At the time, *The Toronto Star* reported that in 1995, the RCMP suspected that over 300 people tried to obtain federal veterans benefits by saying they were fighters during the Second World War, and that Veterans Affairs Canada was tracking more than 170 fraud cases involving theft of over \$5 million.

It is not the intention of any parliamentarians to give the sum to undeserving veterans; we want to give it to those who very much need it and deserve it, and our committees try to insure those intentions are met in the legislation, unlike the House of Commons.

Senator Meighen: Honourable senators, I did not hear a question.

Senator Downe: No question.

Hon. Bill Rompkey: Honourable senators, I wanted to make a few comments. I think we all support this bill. I agree with Senator Meighen that we should honour our allies. The Second World War was the last Great War, and we fought as a team. I know this involves the Korean War as well, but the Second World War, in particular, was a team effort. Dwight Eisenhower was a supreme commander. He was an American who had his headquarters in Britain and worked hand-in-hand with Winston Churchill.

In my own area, we had tens and thousands of Americans, many of whom married Newfoundland and Labrador women. It has been said that the strength of the United States is largely based on those marriages that occurred in Newfoundland and Labrador during the Second World War.

In addition, we had a naval base owned by Britain and operated by Canada. We had several airfields. Our experience is that we were a team. We had Norwegians and Poles in our harbour. It was a team effort, and I think we should recognize that team effort in this legislation.

However, Senator Downe has raised legitimate questions, and I had some questions when I saw the backgrounder — not for the legislation itself but for the backgrounder, which said that to qualify for these benefits, these low-income Allied veterans must have served in the Allied forces in the Second World War or Korean War and must have lived in Canada for at least 10 years, or lived in Canada prior to enlisting and live in Canada now.

I was a little confused about that requirement, but I found a nice man called Mr. Babcock in Minister Thompson's office who explained it to me and assured me that one did not have to live in Canada before the war; one simply enlisted, and if they came back to Canada, they received the benefits.

The point is that there are questions. This bill is obviously good legislation, and we should honour those who fought with us. However, there are questions that we need to ask, and Senator Downe has identified one that is of importance.

I want to make the same point that he made. I read the comment by the house leader in the House of Commons, and this bill was passed virtually in seconds. Having been in the House of Commons, I realize they do that from time to time.

[Senator Downe]

This chamber is a different chamber. This chamber takes the time to survey, analyze, ask questions and make compensation where it is needed. I am glad to see the bill will go to committee, and I urge honourable senators to hasten its passage through here and to committee.

[Translation]

The Hon. the Speaker pro tempore: It is moved by the Honourable Senator Meighen, seconded by the Honourable Senator Wallace, that Bill C-33 be read the second time. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

(Motion agreed to and bill read second time.)

• (1650)

[English]

REFERRED TO COMMITTEE

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

Hon. Michael A. Meighen: I move that the bill be referred to the Standing Senate Committee on National Security and Defence.

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

Hon. Senators: Agreed.

(On motion of Senator Meighen, bill referred to the Standing Senate Committee on National Security and Defence.)

[Translation]

CRIMINAL CODE

BILL TO AMEND—SEVENTH REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE ADOPTED

The Senate proceeded to consideration of the seventh report of the Standing Committee on Legal and Constitutional Affairs (Bill S-4, An Act to amend the Criminal Code (identity theft and related misconduct) with amendments), presented in the Senate earlier this day.

Hon. Joan Fraser: Honourable senators, rule 99 states that a senator presenting a committee report on a bill with amendments shall explain each amendment. I will attempt to do that for you now. Before I get into the details, I would like to provide some context.

Bill S-4, as the letter suggests, was first introduced in the Senate and addresses identity theft and related misconduct. This is a very complex issue. To be honest, our study was a voyage of discovery for us all. I would like to congratulate the committee members who worked so hard to gain a better understanding of the subject. I appreciate their non-partisan approach to the issue.

[English]

This is not the first time I, or other senators, have forgotten to do that.

Identity theft is an extremely complex matter and one on which we all had much to learn. This bill principally deals with the preparatory stages for identity theft because identity theft is often the kind of crime where once the damage is done it is very hard to undo, and sometimes the victims do not realize the damage has been done. This bill addresses preparatory stages for identity theft, obtaining documents, to possessing documents, and stealing people's identity in order to commit fraud.

We learned that this is an area of crime growing by leaps and bounds and is of a magnitude that surprised me. Estimates in Canada range from several hundred million dollars a year up to maybe \$2 billion a year. I saw one estimate that nearly one quarter of Canadians have been victims of identity theft and/or fraud, so this is not a small matter.

We also learned that it is changing rapidly. The technology by which we establish our identities changes regularly. Therefore, the means by which criminals can steal our identities changes equally rapidly.

Your committee was faced with a couple of strong pressures as we continued our work. The stakeholders were, I think, unanimous in saying, "Please give us this bill quickly." Quite a number of them also said, "We are not quite sure exactly how it will work out in practice. We want it now but we are honest enough to tell you we are not exactly sure how it will work out in practice." A number of them also warned us against passing a new law that would apply only to the horses that have already left the barn and that would not apply to technologies that will be invented or refined next month or next year.

It was with those general principles in mind that your committee has proposed the amendments now before us.

The first set of amendments in clause 1 has to do with the list of official documents, that is, documents issued by a Canadian or foreign government, where the bill makes it an offence to procure to be made, possess, transfer, sell or offer for sale these documents.

The clause as originally written contains a long and specific list of documents: social insurance number, driver's licence, health insurance card, passport, certificate of Indian status and so on, but it is a closed and specific list.

Your committee did two things: First, it expanded that list and included death certificates and employee identity cards which bear the employee's photograph and signature. I repeat, we referred to documents issued by governments. Then your committee also opened up the list to allow for future technological advances by saying that this list refers to all the documents I previously mentioned plus some I did not list or any similar document issued by a Canadian or foreign government.

I would draw your attention next to our amendment referred to in paragraph 3, which was to clause 4, where we expanded the references to credit card data to include personal authentication

information. This was a recommendation made by some of the stakeholders, and it seemed wise to us. This, again, is designed to allow for advances in technology that are not now listed in the bill.

Some of you may wonder why we refer only to credit cards. The definition of a credit card in the Criminal Code is extremely broad. For the purposes of the Criminal Code, a credit card includes a debit card, which we might find odd, but that is the way it is in the Criminal Code. It was thought that definition was sufficiently broad and we did not have to attack at present the specific definition, but we wanted to include, in references to data, personal authentication information.

We added in a review clause, which is under paragraph 4 of our report. This is the standard review clause that says that within five years after Royal Assent a comprehensive review shall be undertaken by a committee of the Senate, the Commons or both. That review clause addresses what I referred to earlier, which is the sense that we got from a number of stakeholders that they were not quite sure how this bill would work out in practice even though they really want it now. The idea is that we should come back and look at it.

Finally, honourable senators, I would draw to your attention the amendment referred to in paragraph 2, which is to clause 2, and this is of a different order. This bill includes, in several places, what appears to be a new style adopted by the drafters of legislation, which is, I suppose, designed to make our law in English gender neutral. You find yourself facing clauses designed to use plural pronouns in reference to a singular introductory noun: "everyone" on first reference and "they" on second reference.

If you look at the text of the bill, you will see this has frequently led to clumsy, awkward, ungrammatical and even embarrassing language. In most cases the drafters' intentions remain clear.

• (1700)

However, in clause 2, the original text that was proposed would have had the laws of Canada say, "Everyone commits an offence who . . . falsely represents themselves to be a peace officer or a public officer;" which is awkward. It went on to say, "Everyone commits an offence who . . . not being a peace officer or public officer, uses a badge or article of uniform or equipment in a manner that is likely to cause persons to believe that they are a peace officer or a public officer, as the case may be," which is not only awkward but is, in plain grammatical sense, not what the drafters were trying to convey. It means, in a plain grammatical analysis, that this is likely to cause the persons — the members of the public — to believe that they are a peace officer, which was not what the drafters were trying to achieve.

In that case, we amended this bill to go back to standard Criminal Code language. I refer, again, to the English version.

[Translation]

The French version is much more civilized and does not cause any of these problems.

[English]

In English, it will just say, “Everyone who falsely . . . represents himself to be a peace officer . . .” and causes “persons to believe that he is a peace officer. . . .”

I think that covers all the amendments. I would again thank all members of the committee for the careful, thorough and collegial way in which this work was done.

Hon. John D. Wallace: Honourable senators, as the sponsor of the bill in the Senate and as a member of the Standing Senate Committee on Legal and Constitutional Affairs, I have more than a passing interest in this bill. I commend Senator Fraser for her summary of the bill and the focus of it and what we went through as a committee. She did an excellent job.

I might draw the attention of honourable senators to a few points. As Senator Fraser pointed out, this bill does not deal with fraud. It does deal with those preparatory stages of collecting, possessing and trafficking identity documentation and identity information. There is a gap in the Criminal Code today, and those preparatory stages are not covered off. We heard it time and time again from the witnesses who appeared. We heard from the banking industry that it is a serious problem and it has to be addressed immediately. As Senator Fraser pointed out, the costs of identity theft exceed, from the information we were given, \$2 billion a year, so there is a need for us as parliamentarians to act and to prudently, but quickly, pass this bill.

When we considered the bill at the committee meeting last Thursday, I raised a number of concerns. Some of the amendments were approved, carried on division. The concern I had was that we are dealing with the Criminal Code and a new offence. The consequence of these amendments is obviously significant, so we have to be careful and understand what effect these amendments might have. After our meeting, I took considerable time and talked to a number of people to ensure that, before we made well-intended proposed amendments to the Criminal Code, we fully understood their consequences.

To make a long story short, I support the amendments that have been outlined fully and effectively by Senator Fraser. I acknowledge that in some cases the amendments are an improvement over the bill as I originally presented it. I would not go that far for some others, but in the need to move this bill forward, I looked at it on the basis of whether its purpose would not be adversely affected by the amendments and concluded that they would not adversely impact the bill. All of that is good, positive news.

There is today the sense that we have to get on with it. The police who are dealing with these issues every day need the tools. They need what this bill can provide them. I would encourage all of my fellow senators, when this matter comes before us for third reading, perhaps as early as tomorrow, to please keep that in mind so that we move this amended bill forward and get it to the other place as soon as possible.

I, too, thank all committee members. It was an excellent, collegial effort, and we certainly have an improved bill.

[Translation]

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

[Senator Fraser]

Some Hon. Senators: Question!

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

(Motion agreed to and report adopted.)

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

(On motion of Senator Wallace, bill, as amended, placed on the Orders of the Day for third reading at the next sitting of the Senate.)

[English]

BANK OF CANADA ACT

BILL TO AMEND—SECOND READING— ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Grafstein, seconded by the Honourable Senator Pélipin, for the second reading of Bill S-230, An Act to amend the Bank of Canada Act (credit rating agency).

Hon. Jeremiah S. Grafstein: Honourable senators, I wonder when Senator Oliver might grace us with his words.

Hon. Donald H. Oliver: It will be next week.

(Order stands.)

DRINKING WATER SOURCES BILL

SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Grafstein, seconded by the Honourable Senator Baker, P.C., for the second reading of Bill S-211, 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.

Hon. Jeremiah S. Grafstein: Honourable senators, I do not mean to intrude on the privacy of individual senators, but Senator Lang undertook to speak to this item today. I would assume that he will do it sometime this week.

Hon. Hector Daniel Lang: Honourable senators, I did discuss it with the deputy leader, and he will discuss it with your deputy leader. As I understand it, we will look at the agenda, but it will probably be later this week.

Hon. Gerald J. Comeau (Deputy Leader of the Government): Later this week or next.

(Order stands.)

CANADA ELECTIONS ACT

BILL TO AMEND—SECOND READING—ORDER RESET

On the Order:

Resuming debate on the motion by the Honourable Senator Murray, P.C., seconded by the Honourable Senator Atkins for the second reading of Bill S-202, An Act to amend the Canada Elections Act (repeal of fixed election dates).

Hon. Bert Brown: Honourable senators, I do not have my notes with me. I would like to adjourn this item until next week, when I have the full text of the original bill.

(Order Reset.)

[Translation]

• (1710)

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

THIRD REPORT OF OFFICIAL LANGUAGES COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the third report of the Standing Senate Committee on Official Languages, entitled *Francophone Arts and Culture: Living Life to its Fullest in Minority Settings*, tabled in the Senate on June 4, 2009.

Hon. Maria Chaput: Honourable senators, on June 4, 2009, I was proud to table here in the Senate the most recent report of the Standing Senate Committee on Official Languages, entitled *Francophone Arts and Culture: Living Life to its Fullest in Minority Settings*.

Arts and culture funding fuels development in francophone minority communities. This observation forms the basic premise on which the committee's latest report was based. Furthermore, the eight recommendations made by the committee stem from that central idea.

In any discussion about the arts and culture, it is important to remember that this sector is closely linked to the development of our communities. In fact, the arts and culture sector is a driving force in the economy and, in some cases, provides a crucial competitive advantage.

In this recent study, the committee had to consider the importance of the arts and culture to the development of Francophone communities in minority settings, in light of federal responsibilities under the Official Languages Act.

I remind you that, according to section 41 of the act, and I quote:

The Government of Canada is committed to (a) enhancing the vitality of the English and French linguistic minority communities in Canada and supporting and assisting their development; and (b) fostering the full recognition and use of both English and French in Canadian society.

According to section 42, the Minister of Canadian Heritage shall encourage and promote a coordinated approach to the implementation by federal institutions of these commitments.

Furthermore, since 2005, the act has stated in section 41 that it is imperative that federal institutions ensure, and I quote:

... that positive measures are taken for the implementation of the commitments.

“Positive measures” are synonymous with “proactive measures.” No matter what definition we may choose to attribute one day to the legal concept of “positive measures”, it is evident that this term imposes on the government the obligation to take action.

In order to have the government take concrete action, the committee, in this recent report:

... asks that the Minister of Canadian Heritage and Official Languages ... take the necessary steps to ensure that all federal institutions adopt positive measures with regard to community media, radio stations and newspapers.

Specifically, the committee asks the minister responsible to ensure that all federal institutions:

... make effective use of official-language minority media ... and set aside a predetermined part of government advertising expenditures for community media.

Many community representatives consulted during the recent study suggested that CBC/Radio-Canada:

... must increase the visibility of Francophone communities in minority settings and their artists by featuring them on prime-time national programs.

Unfortunately, recent cuts to CBC/Radio-Canada's budget have produced the opposite effect. Cultural and regional coverage are now in a more tenuous state than before.

We have to reverse that trend so that young francophones in minority communities can identify with what they see on television. Scattered throughout this vast land, these young people deserve to see a reflection of themselves.

The committee's proceedings also revealed that:

Arts and culture organizations have high hopes for the new Canada Media Fund — arising from the consolidation of the Canadian Television Fund and the Canada New Media Fund — began operating on 1 April 2010.

As such, in its recent report, the committee recommended that the minister in charge ensure that the production sector in francophone communities in minority settings be appropriately represented on the new Canada Media Fund's board of directors.

The committee's recommendation is significant because current representation on the board of directors of the Canadian Television Fund is unacceptable. At present, representatives of official language minority communities are conspicuous by their absence from this federal organization.

Television plays a vital role in Canada's cultural landscape, so a broader vision of Canada's francophone communities must be included.

It is clear that cultural and artistic organizations in minority francophone communities are suffering from a lack of human and financial resources. We have to give these communities the support they need to develop and reach their full potential.

That is why, in its latest report, the committee:

... underscores the importance of supporting infrastructure development, cultural activities in schools, artist training and professional development, the use of new technologies and community collaboration (networking).

Unfortunately,

... the recent announcement that the IPOLC program was being terminated is... a clear sign of the gradual but steady decline in the funding provided to arts and culture organizations in Canada's French-language community.

The IPOLC was one of the initiatives established to encourage partnerships between federal departments and agencies in order to support the implementation of Part VII of the Official Languages Act.

The Fédération culturelle canadienne-française wonders, like so many other major players in the arts and culture community, if Canadian Heritage plans to implement another mechanism to replace the IPOLC.

Thus, the committee recommends that the minister responsible support the development of projects providing a solid framework designed to engage the communities. The committee also recommends that the funding process for small projects be streamlined and that wait times for processing grant applications be reduced.

As indicated by the Commissioner of Official Languages, and I quote:

Uncertainty surrounds the future of early, targeted initiatives, and the [official language minority] communities see little sign of commitment to a stable, long-term, systemic approach to recognizing their importance.

The Commission of Official Languages told the committee that, at present, francophone minority communities see linguistic duality being watered down and, as a result, a fundamental building block of Canadian identity is crumbling.

Accordingly, in its latest report the committee recommends that:

... federal institutions working in the arts and culture sector, and the other levels of government develop a long-term vision to support arts and culture in Francophone communities in minority settings.

According to the committee, this long-term vision must take into account the particular realities of francophone communities in minority settings, the needs of first-generation and second-generation francophone immigrants, and the use of new technologies, among other things.

In its report, the committee reminds us that:

Federal institutions must uphold the spirit of Part VII of the *Official Languages Act* by consulting official-language minority communities when making decisions that affect their growth and development.

The committee believes that Canadian Heritage must show greater leadership with regard to implementing positive measures.

Rather than waiting for a legal ruling, the committee maintains that true political leadership is desirable especially when it comes to adopting positive measures.

According to Father Zoël Saulnier, who appeared before the committee for this recent study, and I quote:

... investing in culture is sowing the future, and refusing to invest in culture is tantamount to ordering the slow death of a people.

Honourable senators, it is now time to sow the seeds of hope in francophone communities in minority settings by investing in a long-term vision for the arts and culture. The identity and the economy of our country are at stake.

I would like to congratulate the members of the Standing Senate Committee on Official Languages for producing this ambitious report. I would like to sincerely thank them for their commitment and cooperation.

(On motion of Senator Champagne, debate adjourned.)

• (1720)

[English]

STUDY ON RURAL POVERTY

FOURTH REPORT OF AGRICULTURE AND FORESTRY COMMITTEE AND REQUEST FOR GOVERNMENT RESPONSE—DEBATE ADJOURNED

The Senate proceeded to consideration of the fourth report of the Standing Senate Committee on Agriculture and Forestry, entitled: *Beyond Freefall: Halting Rural Poverty*, tabled in the Senate on June 4, 2009.

Hon. Joyce Fairbairn: Honourable senators, I move:

That the report be adopted and that, pursuant to rule 131(2), the Senate request a complete and detailed response from the government, with the Ministers of Agriculture and Agri-Food; of National Revenue and of State (Agriculture); of Citizenship, Immigration and Multiculturalism; of the Environment; of Finance; of Fisheries and Oceans; of Health; of Human Resources and Skills Development; of Justice and Attorney General of Canada; of Industry; and of Natural Resources being identified as Ministers responsible for responding to the report.

We were grateful that they joined with us.

The Hon. the Speaker: Honourable senators, it is moved by the Honourable Senator Fairbairn and seconded by the Honourable Senator Grafstein that this report be adopted and that pursuant to rule 131(2) that the Senate request a complete and detailed response from the government.

An Hon. Senator: Dispense.

The Hon the Speaker: Dispense.

On debate Senator Callbeck.

Hon. Catherine S. Callbeck: Honourable senators, today I am pleased to add my voice in support of the report of the Standing Senate Committee on Agriculture and Forestry, entitled *Beyond Freefall: Halting Rural Poverty*. I was privileged to have served as a member of the committee, which prepared and presented the report. As Senator Fairbairn has said, in opening the debate on this motion, this was the first time that rural poverty has been examined so extensively by a Canadian parliamentary committee.

This report is the culmination of a comprehensive two-year study of rural poverty and rural decline. It presents a number of major recommendations aimed at addressing issues affecting rural Canadians. I hope the government will give serious consideration to these recommendations because the future of rural Canada is at stake.

Throughout the process of completing the report, we had the opportunity of hearing from and speaking with hundreds of people from across Canada. We heard about their hopes and their dreams, their frustrations and struggles, and above all, their commitment to the future of their communities. As parliamentarians, we have a responsibility to ensure that their voices will be recognized and reflected in policies that are aimed at sustaining and strengthening their lives and the lives of the communities in which they live and work.

Over the past century, Canada has been transformed from a rural to an urban nation. Today, 45 per cent of all Canadians live in this country's six largest cities. Eight of every ten Canadians are living in urban centres. The sheer force of these numbers suggests that the needs and interests of rural Canadians are being overshadowed, forgotten or ignored.

Rural Canada is a vital part of the overall fabric of this country. Socially, economically, and culturally, rural Canadians have

much to offer to the rest of the country. The health and well-being of rural communities is vital to the health and well-being of Canada as a whole.

As the report notes, indicators compiled by Statistics Canada tell us that rural Canadians are falling behind in terms of income, levels of employment, educational attainment and health status — to list but a few. The continued depopulation of rural areas is a poignant sign of the many difficulties and challenges facing rural communities across the country.

The increasing concerns and aspirations of rural Canada is something that policy-makers cannot ignore. If this nation is to remain strong, its citizens must be united in a common cause. That means all Canadians must work together in the spirit of cooperation and unity.

There is a prevailing view that urban Canada's prosperity is somehow separate from rural Canada. However, the future of rural communities is not only an issue for people who live in those communities. The future of rural communities is an issue that affects all Canadians, wherever they live. It is important to understand that the futures of both rural and urban Canada are vitally intertwined.

There are a number of reasons why it is so important to see urban and rural communities linked to one another. Economically, much of the wealth of this country in terms of natural resources is derived from rural communities and small towns. Canadian farmers, who produce our food, are part of the supply chain of agri-businesses that employ roughly one in eight Canadians and account for 8 per cent of this country's gross domestic product. The agricultural and food industry is one of the country's leading exporters, with annual sales of roughly \$30 billion. Canada is one of the leading fishing nations in the world with an export value of close to \$4 billion that is critical to the lives of thousands of Canadians living in coastal communities.

In the same way, other sectors of the economy, including forestry and mining, are essentially rural-based. Honourable senators realize these and other sectors are key to Canada's continued economic growth. However, very few of the economic benefits provided by our resource-based industries are returned to the people who produce them in the first place.

There are other reasons why all Canadians must be vitally interested and involved in the future of rural Canada. Our environment provides all citizens with invaluable and intangible, but very real benefits — clean water, clean skies and healthy soils that promote biodiversity. This is especially crucial given the impacts of global warming. For example, our fields and forests play a significant role in the mitigation of greenhouse gas emissions. All Canadians must work to ensure that our vast natural resources remain healthy and productive.

Our vast and magnificent landscape is also important to the spiritual well-being of Canadians. Maintaining contact with the natural world is a basic human need. Most Canadians, especially those living in crowded urban centres, seek out the natural environment. They seek out the magnificent landscapes, the seashores and the charm of the countryside. It is important for

all Canadians to help ensure the continued health and sustainability of our natural environment and the people who inhabit, protect and care for the environment.

For example, my own province of Prince Edward Island attracts more than one million visitors every year. The vast majority are attracted to come in the first place because of the pastoral qualities of the Island. They come to enjoy and appreciate the patchwork of fields and forests overlooking the ocean. We need to maintain and strengthen rural Canada because, as Canadians, rural Canada is part of our identity as a nation and part of who we are as a people.

As someone who comes from Prince Edward Island — one of the most rural provinces in all of Canada — I witnessed first-hand the profound social, economic and technological changes that have taken place. Although Prince Edward Island is still regarded as a rural province, the reality is that the majority of Prince Edward Islanders are now living or working in urban communities.

The challenges facing rural Prince Edward Islanders are similar to the challenges facing people in many other rural areas across Canada — continued depopulation, loss of services and amenities, growing disparity in terms of income, levels of employment, educational attainment, et cetera. Policy-makers are confronted with the challenge of not simply slowing these trends, but of reversing them. We need new approaches to stem the decline of rural Canada to reinvigorate and revitalize the rural communities.

I am hopeful that rural Canada can once again become a thriving, growing and vital part of Canada and that this country can be an exciting, diversified nation where people can choose where they wish to live and work.

• (1730)

Let me give honourable senators a few examples of what is happening. In my area of rural Prince Edward Island, within a 30-kilometre radius of my home there are thriving primary and processing industries.

There are modern potato wash plants shipping products across Canada into the United States. There are two world-class potato processing plants that export to international markets. There is a mussel processing plant that ships its products across North America. The world-famous Malpeque oysters are harvested in the bay just down the road.

It is not surprising that the primary industries are dominant in these local, rural communities. However, that is not all. A local welding shop fabricates truck trailers for export. A new company manufacture pellet stoves, and another company that employs as many as 80 people is involved in steel fabrication, conveyors and bulk boxes for local, regional and international markets.

A bed and breakfast operation in a heritage home has earned a growing reputation for the way it prepares local foods. Figurine and giftware business shops ship products around the world. Another business has carved out an important niche for its spices and sauces. A spa was recently opened in this rural area that attracts people to its facilities.

The coming of the high-speed broadband service throughout the Island this year provided further stimulus for new and exciting businesses.

Historically, the area is noted for the many generations of entrepreneurs and professionals it has produced. One of Prince Edward Island's foremost artists found inspiration along the shores of this area that she called home. The area is also noted for the qualities of hard work and community that it instilled in its residents.

While these values and virtues are not unique to rural communities, it is in rural communities where they have been nurtured and strengthened. Rural communities are important and they do count. Increasingly, creative entrepreneurs in the knowledge-based economy are moving to the rural and small-town communities to establish their businesses. They are looking for quality of life and a way of life that is distinctive to rural communities. However, the amenities and services available in rural communities must be strengthened so that people will be more able to choose this kind of lifestyle for themselves and their families.

That is why I am strongly in support of the main recommendation in this report. That recommendation calls for the establishment of a new Department of Rural Affairs. This department will bring a much-needed rural perspective to the cabinet table. While a Rural Secretariat within Agriculture and Agri-Food Canada is doing a commendable job, it lacks the mandate and resources to do what is necessary to represent effectively the needs and interests of rural Canada within the context of overall government policy. The Department of Rural Affairs will bring a rural lens to policy and provide the leadership and resources required to stimulate growth and development in rural Canada.

In short, honourable senators, I strongly support this and other recommendations in the report. I hope that all senators, regardless of the areas they represent in this chamber, will be cognizant of the challenges facing rural Canada, and its potential. It is vital that rural Canada is able to achieve its potential, to take its place as part of a strong and growing nation.

Hon. Senators: Hear, hear!

Hon. Michael Duffy: Honourable senators, I want to commend my colleague from Prince Edward Island for that well-written, beautiful précis of life in our gorgeous province.

With those words of praise for her and for the report, I want to adjourn the debate.

(On motion of Senator Duffy, debate adjourned.)

[Translation]

STUDY ON USER FEES PROPOSAL

PUBLIC WORKS AND GOVERNMENT SERVICES CANADA—FEES FOR ESQUIMALT GRAVING DOCK—FIFTH REPORT OF TRANSPORT AND COMMUNICATIONS COMMITTEE ADOPTED

The Senate proceeded to consideration of the fifth report of the Standing Senate Committee on Transport and Communications (*Department of Public Works and Government Services Canada*

User Fees Amendment Proposal for services relating to the Esquimalt Graving Dock), presented in the Senate on June 4, 2009.

Hon. Lise Bacon: Honourable senators, I move adoption of this report.

The Hon. the Speaker: Honourable senators, is it your pleasure to adopt the motion?

Some Hon. Senators: Agreed.

(Motion agreed to and report adopted.)

[English]

CRIMINAL CODE

BILL TO AMEND—SIXTH REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE ADOPTED

The Senate proceeded to consideration of the sixth report of the Standing Senate Committee on Legal and Constitutional Affairs (Bill S-205, An Act to amend the Criminal Code (suicide bombings) with an amendment), presented in the Senate on June 4, 2009.

Hon. Joan Fraser: Honourable senators, this bill, Bill S-205, which was presented by Senator Grafstein, was brought before the Standing Senate Committee on Legal and Constitutional Affairs in exactly the same form in which it had been studied and adopted in the previous Parliament.

Therefore, the committee agreed to give it expedited consideration because considerable study had already been done.

I rise to speak to the bill because, when we were doing clause-by-clause consideration of this short bill, a couple of amendments were presented by the government side. I wish to inform honourable senators that the amendments were simple. They bring the bill into force on a day to be determined by the government and clarify with “belt and suspenders,” so to speak, the definition of “suicide bombing” as a terrorist activity.

These amendments were presented by the government but Senator Grafstein, who was present when we considered the bill clause-by-clause, informed the committee that he had no problem with either amendment.

Therefore, honourable senators, I move the adoption of this report.

The Hon. the Speaker: I want to clarify for honourable senators that we have a report on a bill with amendments and the motion made by Senator Fraser is to adopt that report with its amendments.

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

(Motion agreed to and report adopted.)

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

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

RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

FOURTH REPORT OF COMMITTEE—ORDER STANDS

The Senate proceeded to consideration of the fourth report of the Standing Committee on Rules, Procedures and the Rights of Parliament (*question of privilege regarding a Government of Canada website*) presented in the Senate on May 13, 2009.

Hon. Donald H. Oliver: Honourable senators, I want to make a few remarks as background to this report. I am pleased today to speak on the fourth report of the Standing Committee on Rules, Procedures and the Rights of Parliament.

Parliamentary privileges are fundamental components of our system of government and Constitution.

Hon. Gerald J. Comeau (Deputy Leader of the Government): I will ask Senator Oliver and all honourable senators if he is agreeable to a postponement. This was a question of privilege that had impacted Senator Cowan. I know Senator Cowan is extremely interested in being present when this report is presented.

Therefore, is it possible to postpone the great speech I know Senator Oliver usually gives, until Senator Cowan is here. I apologize to Senator Oliver; I should have noted it before.

The Hon. the Speaker: Is it the pleasure of honourable senators that this matter will now stand?

(Order stands.)

• (1740)

STUDY ON FEDERAL GOVERNMENT'S RESPONSIBILITIES TO FIRST NATIONS, INUIT AND METIS PEOPLES

FIFTH REPORT OF ABORIGINAL PEOPLES COMMITTEE AND REQUEST FOR GOVERNMENT RESPONSE ADOPTED

The Senate proceeded to consideration of the fifth report (interim) of the Standing Senate Committee on Aboriginal Peoples, entitled: *New Voter Identification Procedures and Related Impacts on Aboriginal Peoples and Communities in Canada*, tabled in the Senate on May 7, 2009.

Hon. Gerry St. Germain: Honourable senators, I move:

That the fifth report of the Standing Senate Committee on Aboriginal Peoples, entitled *New Voter Identification Procedures and Related Impacts on Aboriginal Peoples and Communities in Canada*, tabled in the Senate on May 7, 2009, be adopted; and

That, pursuant to rule 131(2), the Senate request a complete and detailed response from the government with the Minister of State (Democratic Reform) being identified as Minister responsible for responding to the report.

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

Hon. Eymard G. Corbin: Would the honourable senator accept a question?

Senator St. Germain: Certainly.

Senator Corbin: I am seeking an explanation. This is an interim report. Is that correct?

Senator St. Germain: It is not an interim report.

Senator Corbin: Are we at Item No. 15 on the Order Paper, which refers to "Consideration of the fifth report (interim)" Is that a mistake?

Senator St. Germain: I am not sure whether it is a mistake or not, but it is not an interim report. It is the final report on this particular issue.

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, when an order of reference is referred to a committee, a number of reports may be made in the life of the Parliament or of the session. All such reports, if they are done under the order of reference, are called "interim" reports, every last one of them, including the final report. They are all referred to as "interim."

Senator Corbin: This is news to me, honourable senators. I always thought that following a succession of interim reports, the committee is happy to report back to the house and table its final report. That is the usual wording.

However, I will not quarrel. If His Honour tells me that this is it, that is fine. That is what I was trying to find out.

Senator St. Germain: As far as I am concerned, it is the final interim report.

The Hon. the Speaker: Honourable senators, the motion that I will put forward to the house might clear up the matter.

It is moved by the Honourable Senator St. Germain, seconded by the Honourable Senator Raine:

That the fifth report of the Standing Senate Committee on Aboriginal Peoples, entitled *New Voter Identification Procedures and Related Impacts on Aboriginal Peoples and Communities in Canada*, tabled in the Senate on May 7, 2009, be adopted; and

That, pursuant to Rule 131(2), the Senate request a complete and detailed response from the government with the Minister of State (Democratic Reform) being identified as Minister responsible for responding to the report.

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

(Motion agreed to and report adopted.)

STUDY ON IMPACT AND EFFECTS OF SOCIAL DETERMINANTS OF HEALTH

EIGHTH REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the eighth report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: *A Healthy, Productive Canada: A Determinant of Health Approach*, tabled in the Senate on June 3, 2009.

Hon. Wilbert J. Keon: Honourable senators, last week I had the honour of tabling the final report of the Subcommittee on Population Health, entitled *A Healthy, Productive Canada: A Determinant of Health Approach*.

I would like to begin my comments by offering my sincerest thanks to all those who gave us their advice on what is required to be done to improve the health of Canadians, reduce health disparities and foster Canada's productivity. We greatly appreciate their wisdom and experience, as well as their very practical suggestions.

I would like to take this opportunity to thank my colleagues and members of the subcommittee for their expertise and their dedication to this study. These include the Honourable Senator Lucie Pépin, deputy chair, the Honourable Senator Joan Cook, member of the committee's steering committee, as well as the Honourable Senator Catherine S. Callbeck, Honourable Senator Andrée Champagne, Honourable Senator Nicole Eaton, Honourable Senator Joyce Fairbairn and Honourable Senator Art Eggleton, who contributed greatly to this effort.

I would also like to thank several staff members for their hard work in the preparation of this report. Among these are Odette Madore, from the Library of Parliament, who is Acting Chief of the Social, Health and Cultural Section; Michael Toye, a consultant; Dr. Jeff Reading; Dr. Trevor Hancock, Barbara Reynolds, who served as the clerk of the committee during the Second Session of the Thirty-ninth Parliament; Tracy Amendola, the administrative assistant during the Second Session of the Thirty-ninth Parliament; Keli Hogan, who served as the clerk of the committee during the Second Session of the Fortieth Parliament; and Monique Régimbald, the administrative assistant during the Second Session of the Fortieth Parliament.

This report was the culmination of over two years of work, which began in February 2007 during the First Session of the Thirty-ninth Parliament when we were given the mandate to examine and report on the impact of multiple factors and conditions that contribute to the health of Canada's population, referred to collectively as the determinants of health.

During the intervening months, the subcommittee sat for 52 hours, held 30 meetings, heard the views of over 117 witnesses and received hundreds of written submissions. We visited six Canadian communities and completed a fact-finding mission in Cuba. Our work was very thorough and we learned a great deal.

Canada is one of the greatest countries in the world in which to live. We have a vast and diverse geography that is rich in natural resources, clean air and seemingly endless territory. However, when it comes to health, serious disparities exist at many levels: between men and women, between people with varying levels of education and income, and between regions and neighbourhoods. Particularly striking are the differences between the health outcomes of Aboriginal peoples and other Canadians.

As a result, some Canadians have the good fortune to spend their lives in excellent health, with one of the highest life expectancies in the world, while others suffer with poor health and a life expectancy that is similar to the Third World countries. The cost of these disparities to our nation is far too great and must be corrected.

Canadians who suffer poor health throughout their lifetime are often less productive than they could be and are unable to contribute to society at their full potential. Sadly, they can be a heavy burden on the health care delivery system and the social safety net.

Reducing health disparities and improving overall health of the members of our society does not simply translate into less health care costs. Good health fosters economic growth, productivity and prosperity. Good health enables children to perform well in school. Good health enables people to be more productive and higher productivity, in turn, reinforces economic growth. This is a key point to consider during these uncertain days.

Healthy citizens are better engaged in their communities and this contributes to social cohesion and well-being. A healthy population requires less government expenditures on income support, social services and security, in addition to health care.

I would like to remind honourable senators that the link between health and the health care system is not as strong as many might believe. The vast majority of health disparities are avoidable and cannot be corrected through the health care delivery system itself. Indeed, the health care delivery system only responds after the fact, once an illness has occurred, and is accountable for only 25 per cent of health outcomes in Canada, even though we spent about \$170 billion on that system last year.

Good health comes from a variety of factors and influences, some 75 per cent of which are not related to the health care delivery system. This is a fact that we must recognize and factor into our policy-making. As the subcommittee's report states:

These health inequities result from the external environment and other social economic conditions that, while largely outside the control of the individuals affected, are amenable to mitigation by the implementation of well-crafted public policy that we refer to as population health policy.

Honourable senators, this is the crux of our report — the mitigation of health disparities through the application of population health policy, which empowers individuals to become responsible for their well-being instead of becoming victims of the factors that lead to ill health.

It is an approach that requires us to be proactive and support communities, cities, provinces and territories to ensure that Canadians enjoy good health, physical and mental well-being, and that they are able to contribute to their communities and to our nation.

We can no longer afford to passively wait for illness and disease to occur and try to cope with them through the health care delivery system. This is simply far too expensive an option. In light of the current economic downturn, population health policy represents a sound approach to economic recovery.

Such a policy shift demands the attention of all individuals, organizations, businesses and communities, as well as all levels of government. Success depends upon the leadership of our Prime Minister and premiers, mayors, municipal leaders, community leaders and, in particular, the leaders of Canada's First Nations, Inuit and Metis.

• (1750)

There are a few key recommendations in the report to which I would like to draw the attention of honourable senators. Essentially, the recommendations fall into four main categories: a new style all-of-government approach; a foundation based on the sound data infrastructure; building healthy productive communities; and a priority focus on First Nations, Inuit, and Metis people.

The importance of a wide range of factors, such as early learning and education, income, employment, environment, housing, food security, and social supports, to name a few, on health outcomes has led the subcommittee to recommend a whole-of-government approach to population health. This approach would involve the federal, provincial, territorial and municipal governments.

At the federal level, we recommend that the Prime Minister take the lead in announcing a population health policy and that a cabinet committee on population health be established to coordinate the development and implementation of the federal population health policy. We also recommend that the Prime Minister convene a meeting with all premiers to establish an intergovernmental mechanism to collaborate on the development and implementation of a pan-Canadian population health strategy. Local and municipal leaders should apply the same focus on population health, wherever possible.

The subcommittee further recommends that the population health policy be guided by a clear vision, with health goals and indicators of health disparities. In addition, we recommend that health impact assessments be conducted for any policy, plan or program proposal submitted to cabinet that is likely to have important consequences on health.

As a first step toward the development of a population health policy, we recommend that the Prime Minister work with the provincial and territorial premiers as well as with First Nations, Inuit, Metis and other Aboriginal leaders in closing the gap in health outcomes for Aboriginal Canadians through comprehensive and coordinated programs and services that respect their social, cultural and local distinctions.

The foundation of a whole-of-government approach to population health with a focus on healthy and productive communities rests on a sound population health data infrastructure. I emphasize to honourable senators that this is quite possible. The days are long gone when this would not be possible because we have the technology to do this.

Numerous witnesses who appeared before the committee stated that the Newfoundland and Labrador system of Community Accounts, also called CA, could be a model for the national database infrastructure envisioned by the subcommittee. The CA is an Internet-based retrieval and exchange system that provides unrestricted free access to view and analyze social, economic and environmental data, such as health, income, education, employment, production, resources, and crime from a variety of sources at the local, regional and provincial levels. The basic building block for geography across the various data sources under the CA is the postal code. We are indebted to Senator Cook for first drawing this to our attention and arranging for us to have a detailed look at the system. She will provide honourable senators with the details in her remarks, so I will leave it at that for now.

Another infrastructure system that offers tremendous potential for population health in Canada relates to the Electronic Health Records. As you know, the government has just spent \$500 million on the production of electronic health records for half the population within the short term. The EHRs contain vast patient health information and link various care providers within and between jurisdictions. They can also provide the life course or longitudinal information that is needed for population health purposes, from pregnancy to early child development, to schooling and adolescence to the world of work, then to retirement and through old age. Moreover, like the CA, the EHRs can be aggregated and analyzed by postal code.

The Canadian Institute for Health Information has worked for the last 15 years with all province and territories. CIHI is a successful model of partnership in Canada and its capacity and reputation are time-proven. We recommend that Statistics Canada and relevant organizations develop standards to ensure the protection, privacy, and security of personal information.

The subcommittee repeatedly heard that good public policy requires evidence of effectiveness, both prospectively during the phase of policy design and on a continuing basis once the policy has been implemented. This type of research, often referred to as population health intervention research, is crucial to increasing our knowledge about what policies and programs are effective in reducing health disparities.

The subcommittee recommends that the federal government increase its investment in population health intervention research. Research on housing, early childhood development and mitigating the effects of poverty among Aboriginal peoples and other vulnerable populations should be considered priorities.

I remind honourable senators that for many years our nation led the world in understanding population health and health disparities. In 1974, the Lalonde report revolutionized thinking about health. This work continued in 1986 with the Epp report. The Canadian Institute for Advanced Research, through its

Population Health Program and such publications as, *Why Are Some People Healthy and Others Not?*, has been crucial in understanding the determinants of health and health disparities.

More recently, concerns over the costs of health care came to dominate the public dialogue, and policy development, which reflected what we have been learning about population health, dropped off. I emphasize again that we spent \$170 billion on the health care delivery system last year, which counts for only 25 per cent of our health outcomes. We spend very little on population health. Consequently, Canada fell behind countries such as the United Kingdom and Sweden in applying the population health knowledge base, which was largely developed here, and health disparities, which are so deplorable in a society such as ours, have grown. This is an unacceptable situation. Furthermore, the subcommittee is concerned that such health disparities might grow even further during the current economic crisis.

Now, in the midst of uncertainty, is the time to act on the proposed recommendations that will improve health, not to mention productivity, of all Canadians, in particular our most disadvantaged groups — First Nations, Inuit and Metis peoples.

Our focus on the life cycle, combined with a community-based approach, can lead to tremendous gains in health, productivity and, ultimately, overall wealth. This is possible if all governments act strategically and in a coordinated way on the determinants of health, mobilizing community, the business sector, the volunteer sector and all Canadians behind a vision of a healthy, just and prosperous future.

Working together, with the leadership of our Prime Minister, we can achieve better health and wealth. Just as Canada is defined by a richly diverse social fabric, the coordinated or integrated approaches by which communities must address health determinants can take many forms.

The subcommittee has been extremely impressed to learn about the wide range of successful initiatives contributing to good health, well-being, low crime and productivity in rural, urban, Aboriginal and other settings. New community-based practices, such as community economic development and the social economy, often address many of the determinants of health in a coordinated manner while empowering citizens.

The Hon. the Speaker: I am sorry to interrupt, but I must advise the honourable senator that his time has expired. Is he requesting an extension?

Senator Keon: Yes, honourable senators, I believe I can finish in two minutes.

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

Hon. Senators: Agreed.

Senator Keon: These integrated, locally-based approaches consciously blend a range of social, economic and environmental objectives that can improve many of the determinants of health especially for marginalized and minority groups. They are rooted in communities, depending on volunteer involvement and guided by citizens for the actions they take.

Population health policy is critical to our future. The costs of maintaining the status quo and not applying such a policy are simply too great. The benefits, namely healthier and more productive individuals and communities, will accrue to us all.

• (1800)

We must act now before we allow pools of ill health and disease to impact negatively on all of us, opening doors for pandemics and other catastrophes. Indeed, as we speak, one is unfolding in Manitoba.

From an economic point of view, the Conference Board of Canada estimates that the benefits from preventing cardiovascular disease alone could mean about \$20 billion per year by 2020.

In concluding, honourable senators, I leave you with a quote from Mel Cappe, President of the Institute for Research in Public Policy, the former Clerk of the Privy Council and secretary to the federal cabinet, who told the subcommittee that:

Fundamentally, all roads lead to population health. Whether it is economic issues, income security issues or environmental issues, they all come back to population health.

(On motion of Senator Eggleton, for Senator Pépin, debate adjourned.)

BUSINESS OF THE SENATE

Hon. Gerald J. Comeau (Deputy Leader of the Government): Honourable senators, I notice that His Honour is trying to find a clock, and I cannot see one anywhere.

I was wondering if honourable senators will agree not to see the clock but, at the same time, allow committees that were scheduled to sit at this time to sit while we not see the clock.

Hon. Senators: Agreed.

THE SENATE

MOTION TO AUTHORIZE THE STANDING COMMITTEE ON RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT TO STUDY THE APPLICATION OF THE CHARTER OF RIGHTS AND FREEDOMS AS IT APPLIES TO THE SENATE—DEBATE CONTINUED

On the Order:

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

That the Senate refer to the Standing Committee on Rules, Procedures and the Rights of Parliament the issue of developing a systematic process for the application of the *Charter of Rights and Freedoms* as it applies to the Senate of Canada.

Hon. A. Raynell Andreychuk: Honourable senators, in light of the time and the speech that I have to give, I want to start today but adjourn to the next sitting.

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

(On motion of Senator Andreychuk, debate adjourned.)

[Translation]

THE SENATE

MOTION TO URGE THE PRESERVATION OF CANADIAN HERITAGE ARTIFACTS—DEBATE ADJOURNED

Hon. Serge Joyal, pursuant to notice given May 28, 2009, moved:

That,

Whereas works of art and historical objects, including silver baskets offered as wedding gifts to the Duke of York (who later became King George V), as well as a porcelain set decorated with war scenes by the Canadian Maritime artist Alice Hagen, kept at the Governor General's residence at Rideau Hall but shelved during the last few years, have recently been sold online through the Department of Public Works;

Whereas there does not seem to be any adequate policy regarding the status and management of works of art and historic objects previously at Rideau Hall;

Whereas there is an urgent need to prevent the scattering of other such items without any regard to their historical character or the protection of Canadian heritage,

It is moved that this chamber:

- deplore that decorative items related to Canada's history, and in the past to Rideau Hall, were sold publicly without any regard to their special importance to Canadian heritage;
- express its surprise that no heritage management policy at Rideau Hall prevents such scatterings;
- demand that the contents of rooms reserved for official functions at Rideau Hall be subsequently managed by an authority at arm's length from the building's occupants in order to preserve their historical character;
- that the National Capital Commission carefully manage the art and artifacts previously in use at Rideau Hall; and
- that surplus moveable art or decorative works of art be offered first to the Canadian Museum of Civilization, Library and Archives Canada or Canadian museums recognized for their role and mandate in preserving and promoting our country's historical heritage.

He said: Honourable senators, I would like to preface my remarks this afternoon by saying that the subject I am about to discuss in no way diminishes my respect and appreciation for Her Excellency, the Right Honourable Michaëlle Jean.

Her Excellency is in no way responsible for the events described in the motion.

[English]

Like all honourable senators on both sides of the chamber, three weeks ago I read in the newspaper that historical artifacts, works of art of Canadian content and other artifacts that were used by members of the Royal Family on their visit to Canada have been offered online, on the website of the Department of Public Works, and sold for a fraction of the price. Some of them did not even belong to Canada. In fact, they were on loan from Buckingham Palace.

I was appalled, and I felt uncomfortable. I thought that after 142 years of Confederation, Canada had come to an age where it has learned, and developed policies, to manage its heritage. Among the items offered on the Internet, the three silver baskets that were sold for \$520 bore a dedication. I want to read it because honourable senators will realize how embarrassing this situation is.

Those three silver baskets bore the following dedication:

Presented to His Royal Highness, The Duke of York K.G. on the occasion of His Royal Highnesses' Wedding with Her Royal Highness, the Princess May by...

And following, as Senator Grafstein would say, is a *Who's Who* of British nobility. I will quote the names:

... Frances Anne Dowager Duchess of Marlborough; Lily Duchess of Marlborough; Annie Duchess of Roxburghe; Lord & Lady Randolph Churchill; Viscount & Lady Georgiana Curzon —

— another famous family;

— Lord & Lady Wimborne; Lord & Lady De Ramsey; Mr & Lady Fanny Marjoribanks; Mr & Lady Sarah Wilson.

In other words, anyone who has been at Rideau Hall and has read those names cannot but conclude that they are faced with something of historical importance. If they have a little more knowledge, they will understand that if it was for the marriage of the Duke of York and Princess May, the Duke of York is George V, who became king in 1910. They will understand that they hold something in their hand of significance. How can one put that basket online for sale? It is not as though it was a plate with no inscription. In that case, they could say they never would have guessed that it belonged to this or that person. However, those inscriptions appear on those baskets. I did not send the police to read the dedication; it appeared online.

When I realized the situation with those artifacts, the first question that would come to anyone's mind is: Who is responsible for managing the content of Rideau Hall? Who manages to keep

the registry or the inventory up to date? Who pronounces when something is surplus? Who decides if something should be sold or offered to another Canadian museum, such as the Canadian Museum of Civilization, the Montreal Museum of Fine Arts or the Royal Ontario Museum? In this country, we do not lack museums where those artifacts related to our history could be offered on a permanent loan. That situation happens on a regular basis in all museums.

I was more intrigued by the fact that no one could answer the question of who is responsible for the state rooms of Rideau Hall. We learned that some of those objects were on display previously in Rideau Hall.

• (1810)

In fact, it was a porcelain tea set decorated by a Maritime artist from Halifax, Alice Hagen, with the coat of arms of the Allied Forces of the First World War. This is not the kind of tea service one can find anywhere on the market. It was decorated by a Canadian artist and displayed in Rideau Hall at the request of the chief curator of the Nova Scotia museum. I saw that tea set myself in a china cabinet in the dining room when the late Jeanne Sauvé was Governor General. When I realized it was also offered for sale, I asked who was in charge. Who pronounced that an artifact has no historical merit? Those artifacts were on display in the state rooms. The three silver baskets were used in Her Majesty's rooms when she visited and stayed at Rideau Hall. Those are the state rooms of Rideau Hall. They are the rooms where official functions take place.

What are the official functions at Rideau Hall, honourable senators? The first is the swearing in of ministers. That happens in one of the state rooms. It is an official function of the Governor General. The presentation of credential letters from ambassadors is an official function at Rideau Hall. The granting of the national Orders of Canada and Orders of Merit take place in the state rooms at Rideau Hall. The rooms that Her Majesty occupies when she visits Canada and stays at Rideau Hall are state rooms because they are related to official functions.

I said to myself: Who is responsible for the content of those state rooms? I am not talking about the private headquarters. Many of us have gone abroad, and we all know there are state rooms and private headquarters for those who occupy an official function. In those private headquarters, I can understand that an occupant might want to bring personal belongings, souvenirs and rearrange the display the way he or she wishes for the benefit of his or her own comfort. I can understand that. However, we are talking here about state rooms.

Like many honourable senators, I have visited the White House. Senator Grafstein has often visited Washington, D.C., as has Senator Segal. When one visits the White House, one is handed the books about portraiture and artifacts in the White House. There is a large book about everything in the White House. It is not for a president, newly sworn in, to decide that he is more inspired by Abraham Lincoln, as President Obama is — and I refer to the reception of our respected Speaker — or less by George Washington, and more by Calvin Coolidge or Bill Clinton and less by John F. Kennedy and change everything inside the state rooms. It is not up to the President of the United States of America to decide what is in the state rooms of the White House.

[Senator Joyal]

My personal discomfort came when one day I was watching a ceremony in the ballroom, one of the state rooms, and I noticed that the portrait of Her Majesty was no longer there. It was a large painting by Norval Morrisseau. I personally value Norval Morrisseau. I have purchased Norval Morrisseau paintings for many years and have incited my friends to buy Norval Morrisseau paintings. What I found puzzling is that now the state ceremony takes place in front of the Norval Morrisseau painting and we turn our backs to the portrait of Her Majesty. We are the only country in the Commonwealth with Her Majesty as head of state where we turn our back to Her Majesty for an official ceremony.

At the Citadel, the formal official residence of our Governor General, in the main reception room — a magnificent room that was rebuilt following a fire — there is not a single portrait of Her Majesty. It is as though we Canadians are shy to recognize that we are a constitutional monarchy after 240 years.

Honourable senators, put your hand in your pocket. The loonie is inscribed with the portrait of Her Majesty. Put your hand in the other pocket. If you have a \$20 bill, you will see the portrait of Her Majesty. You are not shy to use that money daily, and sometimes on multiple occasions, for purchases. However, when it comes to the official functions of our country, we are shy about them taking place in front of a portrait of Her Majesty.

Let me remind honourable senators of something of which I am very proud. As we enter the Senate foyer, we see the portrait of Her Majesty. Does it prevent you from exercising your constitutional duty as a senator? Does it embarrass you? Does it change your mindset about your Canadian identity? Are we less Canadian because we in the Senate, fortunately, have a history that has been added to through generations instead of having one generation subtracted from another? We see all those portraits and understand that Canada has become the respected nation around the world it is because we have been able to build one generation after the other from the contribution of each person we have had as head of state in Canada. We have never been prevented from being more Canadian because of that.

I said to myself: It is time that we do like other adult nations do in relation to official state functions; that is, entrust to an authority independent from the occupants of the day, probably linked to the National Capital Commission, the ability to decide the content of the state rooms and how they should be changed. If there is something that is no longer considered needed for the time being, there should be a proper policy of offering those objects and artifacts either to other official residences or to other Canadian museums. That is the way an adult nation deals with those aspects of its heritage.

Honourable senators will understand that when we in the Senate swear true allegiance to Her Majesty — many of us did that some years ago and some have done it recently — we have a constitutional duty to uphold the Constitution of Canada. What does the Constitution of Canada say? Section 9 states:

The Executive Government and Authority of and over Canada is hereby declared to continue and be vested in the Queen.

The executive power in Canada is not vested in the cabinet; it is vested in the Queen. The legislative power in Canada is exercised

by Her Majesty with, of course, the advice and consent of the Senate. That is what section 91 states. What does section 91 read?

It shall be lawful for the Queen, by and with the Advice and Consent of the Senate and House of Commons, to make Laws for the Peace, Order, and good Government of Canada . . .

It is Her Majesty who enacts legislation under our advice. This is the system. This is the way it has worked for 142 years. We have managed a level of freedom and respect for Canada around the world that has everything to do with our system. We should be proud of our system, but we always feel some discomfort and are, to a point, sometimes disrespectful because we do not recognize that and we do not live as an adult nation with a system that has given us a level of freedom that is incomparable worldwide.

Honourable senators, I put this motion forward for your consideration because I thought that we in this chamber were adult enough. We walk through this foyer and see the portrait of Her Majesty each day, and I do not think it would embarrass any other visitors to see the portrait of Her Majesty in the right place in any of the official residences.

• (1820)

It is up to us to decide this and to make a recommendation. Those in authority will decide how to act upon that recommendation and be in sync with what we want to do in this country, which is to uphold rule of law as it has always protected us.

The Hon. the Speaker: Honourable senators, Senator Joyal's time has run out, unless he were to ask and receive consent for five more minutes.

Senator Comeau: Five minutes.

Hon. Hugh Segal: Would the honourable senator accept a question?

Senator Joyal: With pleasure.

Senator Segal: I express my profound gratitude for the thoroughness of the honourable senator's presentation. Those of us who saw the newspaper story and thought it a trifle and did not fully understand now better appreciate the seriousness of this matter.

I would like to ask the honourable senator a question relative to the issue of accountability. Of course I accept that Her Excellency is held innocent of all of this and is not involved in any way whatsoever. That being said, someone is responsible. Someone made this decision. Someone decided that these treasures that belong to the people of Canada could be put online to be sold.

Would the honourable senator be supportive, in the way in which this place dealt with this motion, should the leadership of both sides agree, and I do not want to prejudge that, to have those who were responsible called before the bar of the Senate? Would the honourable senator be supportive of our having those responsible called before the bar of the Senate and asked to

explain themselves relative to this significant dilution of the principle that public rooms, State rooms, the heritage of Canada, is not something that is available on a garage sale basis?

Senator Joyal: I thank the honourable senator for his question. I thought also about the follow-up and how to give effect to the motion. One way would be to send the motion to a committee of the Senate, whereby the appropriate, responsible person could come forward.

Let me add, parenthetically, that the Office of the Secretary to the Governor General last Friday declared that most of the works of art that were sold were recovered, which would be less embarrassing for Canada with Buckingham Palace, to a point. I would not make the insult and suggest that we return the basket to Buckingham Palace. At this point in time, I think it would be ill-advised. We should keep those artifacts, and, as I say, display them properly.

To answer the honourable senator's question directly, it would be up to the leadership on both sides to decide, if they find it appropriate, that this motion be referred to a committee of the Senate.

I would certainly not suggest that we have a hearing on a trial basis. I do not think that is the proper way to do it. We would embarrass people. At this point in time, I am less concerned with who is responsible than I am to see the system that is in place and determine how that system could be improved. I think that is the way to give effect to this motion so we could have a proper initiative following the motion. That is the appropriate initiative.

[Translation]

Hon. Pierre Claude Nolin: I would first like to thank Senator Joyal for calling our attention to the matter. My question is as follows. Has the mass exodus stopped? Has the dispersal stopped?

Senator Joyal: I thank Senator Nolin for his question. It gives me the opportunity to elaborate on the subject. I read in last Friday's newspapers that the Honourable Jim Moore, the Minister of Canadian Heritage, has taken steps to stop the sale. At Rideau Hall, the Secretary to the Governor General confirmed that most items had been bought back. We do not know at what cost, and that is not what is important here.

Mr. Moore is the minister responsible for protocol. He has taken measures to stop objects of this kind from being sold in the future in this completely inappropriate way, given their value as heritage items. At present, we can rest assured that this kind of thing will never happen again.

[English]

Hon. Jeremiah S. Grafstein: Honourable senators, when Senator Joyal brought this to my attention, I was as appalled as he was. There is a way of dealing with this matter. I know that senators do not like to imitate our American friends, but the Americans, based on my preliminary observation, have three groups. First, they have the White House Historical

Association. I am not sure if that is an independent group, but I know the membership there, and it includes outstanding American historians who specialize in the presidency. In addition to that, in the White House, there is a full-time curator and an assistant curator who are responsible for keeping track of all this. Finally, there is a committee called the Committee for the Preservation of the White House, and it has been there for some time. There is an opportunity here, having been seized of this issue, to come up with a policy so this problem would not happen again. I think it is a creative way of doing it. I would hope that Senator Joyal would give some consideration to these concrete steps to act as a prophylactic from this disastrous action on behalf of some public servant.

(On motion of Senator Oliver, debate adjourned.)

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Art Eggleton, pursuant to notice of June 4, 2009, moved:

That, pursuant to rule 95(3)(a), the Standing Senate Committee on Social Affairs, Science and Technology be authorized to sit up to and including Tuesday, June 30, 2009, for the purposes of its study on current social issues pertaining to Canada's largest cities, even though the Senate may then be adjourned for a period exceeding one week.

(Motion agreed to.)

LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Claudette Tardif (Deputy Leader of the Opposition), for Senator Fraser, pursuant to notice of June 4, 2009, moved:

That the Standing Senate Committee on Legal and Constitutional Affairs have the power to sit from 12:00 p.m. to 5 p.m. on Wednesday, June 10, 2009, and from 8:30 a.m. on Thursday, June 11, 2009, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

[Translation]

Hon. Marcel Prud'homme: I will not oppose this motion. However, I have always been reluctant to have committees sit at the same time as the Senate. One of these days, this practice will cause problems. In my opinion, we run the risk of setting a dangerous precedent.

[Senator Segal]

I believe that this authorization should be considered a type of special permission. By granting this authorization, we should all remember that this chamber comes first. I fear that one day too many committees will seek leave to sit at the same time the Senate is sitting, which will make it a most difficult task for the whips to ensure that there is quorum.

Hon. Pierre Claude Nolin: Honourable senators, allow me to make some clarifications in support of this motion. You will remember that the Senate tasked the committee to report

Thursday on this motion. A series of witnesses must be heard. Consequently, we asked that the rule be suspended in order to respect order in this chamber. It is an extraordinary measure and that is how we view it.

(Motion agreed to.)

(The Senate adjourned until Wednesday, June 10, 2009 at 1:30 p.m.)

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