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Wednesday, February 7, 2018

The Honourable GEORGE J. FUREY,
Speaker

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(Daily index of proceedings appears at back of this issue).

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THE SENATE

Wednesday, February 7, 2018

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

Prayers.

[Translation]

ROYAL ASSENT

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

RIDEAU HALL

February 7, 2018

Mr. Speaker,

I have the honour to inform you that Ms. Assunta Di Lorenzo, Secretary to the Governor General, in her capacity as Deputy of the Governor General, signified royal assent by written declaration to the bill listed in the Schedule to this letter on the 7th day of February, 2018, at 11:00 a.m.

Yours sincerely,

Christine MacIntyre

Executive Director, Events, Household and Visitor Services

The Honourable
The Speaker of the Senate
Ottawa

Bill Assented to Wednesday, February 7, 2018:

An Act to amend the National Anthem Act (gender) (*Bill C-210, Chapter 1, 2018*)

[English]

SENATORS' STATEMENTS

TAIWAN

Hon. Stephen Greene: Ladies and gentlemen, the noted American political scientist Francis Fukuyama posits that nation states require three attributes for continued success: They must possess a strong state, which includes having a stable, neutral bureaucracy; they must have democratic institutions; and they must adopt and respect the rule of law. It is my view that Taiwan has these three characteristics in spades and so qualifies as a nation state.

Taiwan has strong intellectual property laws that are compatible with ours. Canada and Taiwan also have many shared political and social values. For example, Taiwan has a woman in the presidential role, and its parliament boasts 38 per cent women, whereas Canada's House of Commons has only

26 per cent. Also, Taiwan is on track to become the first Asian country to legalize same-sex marriages. And Taiwan has recently launched an indigenous transitional justice process.

On the economic front, Taiwan boasts one of the largest subway systems in Asia — a new bullet train capable of speeds in excess of 300 kilometres per hour — and a research and innovation park where over 7,000 PhDs work, and they do all this with only 23 million people.

What does Taiwan mean for Canada? First, it is our eleventh-largest trading partner. There are more than 260,000 Taiwanese Canadians living in Canada, and more than 60,000 Canadians live in Taiwan. In 2016, 103,000 Taiwanese visited Canada and 106,000 Canadians visited Taiwan. There are four daily non-stop flights between Canada and Taiwan. Taiwan is Canada's tenth-largest export market for educational products and services. Canada recently signed a double-taxation treaty with Taiwan, legislation I was proud to sponsor last year.

However, despite Taiwan having each of Fukuyama's three attributes, it is not considered by the international community to be a state. As a result, it is not a member of the United Nations, the International Civil Aviation Organization, the new TPP and many other international organizations — despite the fact that it would like to join them and that, in my opinion, those organizations would be stronger if Taiwan were a member.

The problem, of course, lies in the West's complicated relationship with the People's Republic of China. As we know, Communist China has recently told major Western retailers that do business in the PRC — such as Marriott, Zara and Air Canada — that they cannot list Taiwan in their online drop-down menus. In order to protect their investments in China, these companies have sadly complied. Communist China insists that Taiwan is part of its territory even though, in modern history, it has never possessed Taiwan. As a result, for economic reasons, Western countries have kowtowed to Communist China in their relationships with Taiwan.

I had the pleasure of being part of a parliamentary delegation to Taiwan a few weeks ago. At a lunch, I had the honour of being seated next to the Deputy Minister of Foreign Affairs. We had a lengthy conversation. The most important part was his clear expression that, one day, Western countries will have to decide whether Taiwan is important to them and that we cannot leave Taiwan hanging indefinitely. He said that Taiwan is doing everything it can to be worthy of international respect. The same, in my view, cannot be said for the People's Republic of China, where there is no recognizable democracy. Communist China's current path is to demand respect without earning it. The respect it seeks comes from its economic and military power, and not much else.

Taiwan is a country in every sense and should be recognized as such by Canada and the world.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Philip Skowronski, Ashley Langburt and Elizabeth Molina, students from Concordia University (Conservative Concordia). They are the guests of the Honourable Senator Housakos.

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

Hon. Senators: Hear, hear!

2018 OLYMPIC GAMES

Hon. Yonah Martin (Deputy Leader of the Opposition): Honourable senators, I am thrilled to rise today to speak about the 2018 Winter Olympic and Paralympic Games in Pyeongchang, South Korea.

I want to take this opportunity to wholeheartedly congratulate the Republic of Korea, which is hosting the games once more after three decades have passed since the 1988 Seoul games. Canadian athletes from British Columbia to Newfoundland and Labrador will take to the slopes and ice to compete for Canada against the best athletes of the world. I'm sure Canadians from coast to coast to coast are filled with pride and excitement as we prepare to witness Team Canada enter the PyeongChang Olympic Stadium on February 9 and compete over the course of the games.

• (1410)

In the spirit of promoting the Olympic and Paralympic Games and their unifying force, on January 18, 2018, on the "Road to the Olympics," Canadians and Koreans teamed up to organize the 2018 Imjin Classic, an annual commemorative hockey game held in honour of the legacy of wartime hockey played by Canadians and others during the Korean War. As captured in historic black and white photos from 1952, during the height of the Korean War, regimental members of the Princess Patricia's Canadian Light Infantry and the Royal 22nd Regiment of Quebec faced off in a championship game on the frozen Imjin River in Paju City, South Korea, proof that even in the midst of war, sport has the ability to unite.

Long after the war, the friendship between Korea and Canada has endured and grown not just through diplomatic relations and the implementation of the Canada-Korea FTA, but through the power of sport. Sixty-five years ago, hockey brought Canadian soldiers closer to home, and this year, hockey brought them closer to Korea.

Honourable senators, it is difficult to overlook the fact that Korea has remained divided along the 38th parallel for nearly 65 years and that tensions have been building on the Korean Peninsula this past year. They remain top of mind for many as the opening of the Olympics is about to take place. Canada has and will continue to be a true friend and ally. We believe that only through diplomatic means can peace on the Korean Peninsula be achieved.

The PyeongChang Olympic and Paralympic Winter Games will provide the stage for dialogue, understanding and peace. It will be a global platform to bring together people from all walks of life, to set aside our differences, embrace our collective diversity, and take part in events much bigger and more universal than ourselves. The universal language of sport is the most powerful language for diplomacy.

To all our athletes, families, coaches and support staff, we at home are with you in spirit. We wish you the best of luck and will be cheering for you from coast to coast to coast. May the Olympic and Paralympic Games be truly successful and perhaps a catalyst for eventual peace on the Korean Peninsula.

HUMAN RIGHTS VIOLATIONS IN MEXICO

Hon. Jane Cordy: Honourable senators, on January 30, Senator Bernard and I had the privilege of meeting with three women from Mexico who spoke about human rights violations in their country. They were accompanied by Kathy Price from Amnesty International.

Alicia Bustamante, an indigenous woman, spoke about the human rights violations of indigenous people in Mexico. She told us about the plundering of their forests by big business, which uses its money to influence government authorities in order to acquire permission to do this.

Honourable senators, 38 kilometres of highway have been built through their forests with the approval of the Mexican government.

Martha Camacho was abducted in the 1970s because she was a political dissident. She was pregnant and delivered her baby while captive. She was also blindfolded and beaten. Martha was released after her parents paid a ransom to her abductors.

Honourable senators, there are 33,000 recorded disappearances in Mexico, but many more incidents go unreported. The truly unfortunate thing is that the Mexican authorities are doing very little to investigate these disappearances. Families of missing people have come together to form the movement of the disappeared. Fifty-two local groups of families are working to keep the issue of Mexican disappearances in the public eye in hopes that their government will take positive action.

Michelle Quevedo spoke about her brother who disappeared in 2014 at the age of 19. There was no support from the authorities, so families were left to carry out their own searches at their own risk. Unfortunately, Michelle's boyfriend and another brother were killed while trying to rescue her captured brother. Her family has had to move and has had to hire personal bodyguards for their own protection.

Honourable senators, Michelle's brother's remains were found in December of 2017.

Recently, a national search committee was established in Mexico. A law calling for a DNA bank and a national registry of disappeared people is to be established. This will help to identify victims, and, honourable senators, this is a good start.

There were concerns expressed by the Mexican women that this law may not be implemented because no budget has been provided. There is a need for specialized police to seek disappeared persons and for prosecutors to bring the perpetrators to justice. Without a budget, things will not change because the new proposals brought forward will be ineffective and will not be implemented.

Honourable senators, I would like to publicly thank Martha Camacho, Michelle Quevedo and Alicia Bustamante for their courage in telling their stories of the human rights violations occurring in their country every day. It is their hope that speaking out about human rights violations in Mexico will provide the impetus for positive change.

[Translation]

BLACK HISTORY MONTH

Hon. Kim Pate: Honourable senators, every February, we celebrate Black History Month. The theme for 2018 is “Black Canadian Women: Stories of Strength, Courage and Vision”.

[English]

In addition to taking this opportunity to celebrate the strong Black women of vision among us, I rise to remind us that, while Canada is often presented as the historical beacon of freedom for people of African descent who are fleeing the horrors of slavery, this narrative is incomplete. It silences the experiences of the Black people enslaved in Canada during that period.

One of these people was Marie-Joseph Angélique, who was blamed for starting the Montreal fire of 1734. It was alleged she did so in order to escape from slavery. She was imprisoned and tried based on the evidence of 20 people, none of whom had witnessed the alleged crime. She was brutally tortured before she was killed.

[Translation]

Marie-Joseph’s tragic experience was not unique, as I was reminded when I visited the cemetery where Loyalists’ slaves were laid to rest in Saint-Armand, Quebec. For years, the Black Coalition of Quebec has been asking the government to recognize this site, which is now farmland, and thereby honour the sacrifices and contributions of black communities. Esteemed colleagues, we must preserve this reminder of Canada’s colonial past while we bear in mind the systemic discrimination still present in our institutions today.

[English]

Black Canadians are increasingly overrepresented among those who are criminalized in this country, representing about 9 per cent of those in federal prisons but only 3 per cent of Canada’s population. Last week, the Prime Minister placed this systemic racism in the context of centuries of oppression, unconscious bias and stories of Canadians still judged today by the colour of their skin. The stories and experiences of Black Canadians and their communities, he noted, “still too often go untold.”

[Senator Cordy]

As we celebrate Black History Month this month, we must stand against the silencing of past racial injustices and those that persist today. We must listen and learn from our friends, our colleagues and community members as we honour the strength and accomplishments of Black Canadians, and this year, the particular contributions that strong, courageous Black women of vision have made to all facets of life in this country.

OCEAN RANGER DISASTER

Hon. Fabian Manning: Honourable senators, today I’m pleased to present Chapter 27 of “Telling Our Story.” It is a sad chapter in my province’s history, a story of great loss and profound sorrow.

Thirty-six years ago this month, 84 crewmen, including 56 Newfoundlanders, perished off the coast of Newfoundland when the Titanic of semi-submersible oil rigs, the *Ocean Ranger*, capsized and sank beneath the angry and unforgiving waves of the cold North Atlantic, just 175 miles east of St. John’s. It was Canada’s worst maritime disaster since the Second World War.

In the second half of the 20th century, when it was clear that the fishery was in steep decline and the province was reeling in debt and unemployment, offshore oil development was seen as a lifeline to our economic salvation. The *Ocean Ranger* was thought to be unsinkable and had been approved for unrestricted ocean operations and designed to withstand extreme, harsh conditions at sea.

On February 14, 1982, the *Ocean Ranger* was drilling in the Hibernia oilfield when at 8 a.m. the rig received a weather report stating that a strong winter storm was forecast to pass over its location later that day and into the night. The *Ocean Ranger* continued to drill until around 4:30 p.m., when it disconnected its drill pipe and retracted it for safety. By 7 p.m., the storm was well under way. There was no indication of trouble at 11:30 p.m., when the *Ocean Ranger* still transmitted its regular weather report.

• (1420)

At 52 minutes past midnight on February 15, a mayday call was sent from the *Ocean Ranger*. Helicopters were alerted, and standby vessels were dispatched to provide assistance. At 1:30 a.m., the *Ocean Ranger* transmitted its last message: “There will be no further radio communications from the *Ocean Ranger*. We are going to lifeboats.”

Shortly thereafter, the crew abandoned the platform. The platform remained afloat for another 90 minutes, sinking just after 3 a.m. The mighty *Ocean Ranger* sank beneath the waves. Her entire crew of 84 men met a watery grave.

Daniel Conway, of my hometown of St. Bride’s, was one of the crewmen who lost their lives that night.

Rescue planes and ships battled fierce winds, poor visibility, rain and snow, as well as severe icy conditions, in their attempt to locate survivors. There would be none. During the following weeks, only 22 bodies were recovered from the ocean.

I believe Rex Murphy summed it up best on CBC News's "The National" on February 15, 2007, when he said:

War and work cost a lot in Newfoundland. They always have. The *Ocean Ranger* disaster flashed through the circuits of these common memories connected with them, but with an additional irony. The offshore was not the seal hunt or the ancient fishery. Oil was modern. The rig was a splendour of engineering and technology. The jobs belonged to an industry that might walk us away from dependency and from those old, harsh patterns of hard times and inescapable perils. The offshore was for many Newfoundlanders all hope and future, but here we were, on February 15, 1982, in the last quarter of the gleaming twentieth century about to veer into a new, more accommodating richer encounter with the sea and its resources, and that terrible bell rang once again. Families hurled into grief, communities lacerated, the whole province once again struggling to absorb an assault too large for anything but time or faith to carry. Twenty-five years on, it is, of course, still being felt.

Colleagues, more than three decades have now passed, and the hurt still runs deep. Please join me in remembering the sinking of the *Ocean Ranger* and the 84 crewmen who lost their lives 36 years ago this month. Thank you.

[Translation]

ROUTINE PROCEEDINGS

INDIGENOUS AND NORTHERN AFFAIRS

NUNAVUT IMPLEMENTATION PANEL OF THE NUNAVUT LAND CLAIMS AGREEMENT—2012-13 ANNUAL REPORT TABLED

Hon. Peter Harder (Government Representative in the Senate): Honourable senators, I have the honour to table, in both official languages, the 2012-13 annual report of the Nunavut Implementation Panel of the Nunavut Land Claims Agreement.

THE SENATE

NOTICE OF MOTION TO AFFECT QUESTION PERIOD ON
FEBRUARY 13, 2018

Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate): Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, in order to allow the Senate to receive a Minister of the Crown during Question Period as authorized by the Senate on December 10, 2015, and notwithstanding rule 4-7, when the Senate sits on Tuesday, February 13, 2018, Question Period shall begin at 3:30 p.m., with any proceedings then before the Senate being interrupted until the end of Question Period, which shall last a maximum of 40 minutes;

That, if a standing vote would conflict with the holding of Question Period at 3:30 p.m. on that day, the vote be postponed until immediately after the conclusion of Question Period;

That, if the bells are ringing for a vote at 3:30 p.m. on that day, they be interrupted for Question Period at that time, and resume thereafter for the balance of any time remaining; and

That, if the Senate concludes its business before 3:30 p.m. on that day, the sitting be suspended until that time for the purpose of holding Question Period.

ADJOURNMENT

NOTICE OF MOTION

Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate): Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, when the Senate next adjourns after the adoption of this motion, it do stand adjourned until Tuesday, February 13, 2018, at 2 p.m.

[English]

QUESTION PERIOD

VETERANS AFFAIRS

PENSIONS AND DISABILITY BENEFITS

Hon. Larry W. Smith (Leader of the Opposition): My question is for the Government Leader in the Senate.

The Liberal Party's 2015 platform promised that a Liberal government would "ensure that no veteran has to fight the government for the support and compensation they have earned." Last week at a town hall in Edmonton, a young retired corporal, who lost his left leg to an IED explosion while serving in Afghanistan, asked the Prime Minister why the government has broken its promise and continued its court battle against veterans groups regarding pension and other benefits.

The Prime Minister responded:

Why are we still fighting certain veterans groups in court? Because they're asking for more than we are able to give right now.

When the Prime Minister has half a billion of Canadian taxpayers' dollars to give to the Asian Infrastructure Investment Bank, how can he possibly justify telling our veterans that the Government of Canada has no more to give them?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question. It gives me the opportunity to remind the house that the government has made significant investments in Veterans Affairs Canada to ensure that our veterans are treated appropriately. The Minister of Veterans Affairs has made recent announcements about a significant alteration in policy with respect to entitlements of Veterans Affairs. I should also confirm that the government has reopened offices that were closed in the last number of years to ensure that services to veterans are able to be provided in a face-to-face network of offices from coast to coast.

So I would just remind the honourable senator that Veterans Affairs and veterans' benefits remain a high priority for this government, and the minister is actively involved in not only bringing forward the decisions that have been made but also pursuing other enhancements to the benefits.

Senator Smith: Thank you for the answer, sir. I understand from what you said, basically, that the government is spending more money on providing services, but this is a specific question as to settlements with injured veterans of our Canadian Armed Forces.

The previous government and the veterans agreed to pause the court proceedings and work toward an out-of-court settlement. It was the current government that chose to tell the lawyers to resume their court action against the veterans, despite their election promise.

So I don't think this is a case of adding more services; this is a case of the government promising to take care of its veterans. So when the Prime Minister has \$10 million to give to a convicted terrorist — and we know his name — how can he say that the Government of Canada has no more for the veterans who actually fought against terrorism?

Senator Harder: Again, honourable senators, I would remind the house that the government has enhanced benefits and provided more flexibility to veterans in the programs that are available to those who have been so tragically disabled as a result of their services to Canada. That is a significant enhancement.

With regard to the court case to which the honourable senator refers, I have nothing to add.

THE SENATE

PROPOSAL OF COMMITTEE OF THE WHOLE ON BILL C-45

Hon. Donald Neil Plett: My question is for the Leader of the Government in the Senate.

Senator Harder, last week, you adjourned a motion moved by Senator Patterson in which he proposed that the Senate hear from the Minister of Crown-Indigenous Relations and Northern Affairs, the Honourable Carolyn Bennett, in the form of a Committee of the Whole. You suggested that your opposition to

this motion was that it was not going through the usual channels, and you instead proposed that the leaders meet to determine an appropriate time. You stated that this should wait until after we had conducted our scheduled Committee of the Whole. As you know, this happened yesterday.

• (1430)

We are certainly amenable to an amended motion with an appropriate date — since I think the date was today — and I am sure many of us are even open to suggestions that have been made by other senators that this motion should include the Minister of Indigenous Services, the Honourable Jane Philpott.

However, given the seriousness of the legislation and specifically the impact this could have on Aboriginal peoples, leader, will you make every effort to work with the rest of the leaders to quickly find an acceptable time for the proposed Committee of the Whole, and will you commit to supporting Senator Patterson's motion if it were amended in this way?

Hon. Peter Harder (Government Representative in the Senate): I find it difficult to respond to the question when it is more appropriate, as the question implies, for these conversations to take place amongst leaders. I have spoken with Senator Patterson to indicate what I found problematic about his proposal.

Senators, the fact is that for two hours yesterday we had the ministers who are responsible for the engagement with Aboriginal communities. While I certainly compliment the senators who asked questions yesterday, I frankly did expect more questioning with respect to Aboriginal issues. That was the choice of senators.

With regard to discussions that I might have with leaders, I'm always open to have those, senator, but I think it's important that the appropriate ministers come before the Senate for the appropriate responsibilities and through the appropriate channels and time.

Senator Plett: Leader, usually you pass off our questions by saying you are not responsible and you can't answer for the government. There is a question that you can very easily answer yourself. The question was: Will you or will you not support something?

You will remember, Senator Harder, that Senator Joyal raised a question with you. He said:

... when you first made the proposal ... I think you made a commitment that there was an openness on behalf of the government to have the Minister of Crown-Indigenous Relations and Northern Affairs in relation to the overall consultation. There are many aspects to the cannabis legislation that need to be reviewed and whereby Aboriginal people have an interest. Members of the committee raised some of the issues this morning and yesterday.

He was referring to the Standing Senate Committee on Legal and Constitutional Affairs.

Senator Joyal went on to say:

May I suggest that those discussions take place within the context of the commitment that you had made that we as a house would have an opportunity as a whole to review the overall situation with Aboriginal people in relation to the proposed cannabis legislation?

Senator Harder, you answered:

Thank you, Senator Joyal. I make the commitment, as I have before, and I stated this afternoon that I'm happy to discuss how the issues of concern can be dealt with as we move forward. I just think they should go through, first, a sequencing that is appropriate and through the usual channels to ensure the coherence of our efforts.

You are the Leader of the Government in the Senate, Senator Harder. Will you commit to initiating these conversations with the other leaders to make sure that we get the appropriate indigenous ministers into this house, as a Committee of the Whole, so the questions can be directed to them?

Senator Harder: Again, we did have the appropriate ministers before the Committee of the Whole for two hours. I commend the Senate for its engagement with the ministers responsible.

Of course I am happy to discuss with leaders, in the usual process, what further steps we might take. I'm always open to that, but I also think it's important to advance the discussions in this chamber on this bill, which has been before us now since November 30.

PRIME MINISTER'S OFFICE

COMMENTS OF PRIME MINISTER

Hon. Leo Housakos: Honourable senators, I rise to put a question to the Leader of the Government in the Senate. At a town hall meeting in Edmonton last week, Prime Minister Trudeau was asked a question from a member of the audience who raised concern about ISIS fighters returning to Canada and the long-term impact of their terrorist ideology on our country's safety and security.

The Prime Minister responded by comparing returning ISIS fighters — responsible for beheadings, burning people alive, sexual slavery, throwing men over rooftop buildings because they are gay, just to name a few of their atrocities — with immigrants historically welcomed to Canada from countries such as Greece, Italy and Portugal.

I come from a cradle of that community. My parents both immigrated to this country in the 1950s, and they were outraged to hear that from the Prime Minister. These are the individuals in the Greek, Italian and Portuguese community in Montreal that came here understanding they were coming to a Commonwealth country, to a great democracy, a country that respects human rights and the rule of law. They also understood — and I can tell you my parents always made it clear to me — that Canadian citizenship came with tremendous privileges, but it also has responsibilities.

How does the Prime Minister possibly justify making this comparison, equating legal immigrants and those fleeing persecution with the return to Canada of individuals who are complicit in the horrific crimes perpetrated by our enemy, ISIS?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question.

Let me simply reiterate, and I do this as myself, the son of immigrant refugees to Canada, that I share and understand deeply the pride with which your parents inculcated the values of citizenship in you, as most immigrants have with their children and their children's children.

I didn't see the interaction to which you refer, but I can only remind senators that this Prime Minister has consistently spoken well of Canada's immigrant history and the accommodation and diversity of our immigration process that has allowed Canada to become the country it is today.

At the same time, while individual immigrants and citizens have responsibilities, we collectively have a responsibility to our citizens, even those we would disagree with because of actions that they have taken with the rights they hold as citizens. We have to be vigilant in our programming to ensure that we do everything possible to protect the safety and security of Canada in the face of those who return to Canada after having indulged in the practices to which the honourable senator referred.

Senator Housakos: Government leader, with all due respect, I find the last couple of sentences of your response quite troubling.

I think it's completely unacceptable to put on the same level Canadians who have the privilege of Canadian citizenship, who choose to leave this country, flee the safety and sanctity of this country to go halfway around the world to join a terrorist extremist group that has nothing more as a principle than to destroy people because they are Christians or because they are moderate Muslims and practising their faith.

To equate those Canadians who go and join our enemy, who have been hell-bent on doing nothing but destroying our way of life, our democracy and rule of law, is really insulting. I think the people of the communities I represent in Montreal found the comments of Prime Minister insulting.

Government leader, I think you have to be clearer and unequivocal in making sure that our government does not treat people who are terrorists that flee to join a terrorist enemy group as any other citizen.

Does the Prime Minister and this government really equate ISIS terrorists returning to Canada at the same level as immigrants who come in through the proper channels, respect the rule of law and respect our values as Canadians?

Senator Harder: I don't know what I said, senator, that led you to those observations. I simply want to reiterate that Canadian citizens engaged in terrorist activities abroad, who have a right of return and come back, pose a significant challenge to government. This government is doing all it can to ensure the protection of the Canadian community while respecting the right of return. In doing so, the Prime Minister and the government

generally have spoken to Canadians about why we do this as an expression of our values as a country, and in the hope that the returnees are reborn in the commitments to diversity and respect for the rule of law that, sadly, has not motivated their behaviour.

INTERNATIONAL TRADE

ROLE OF CHINESE COMMUNIST PARTY IN CHINA COMMUNICATIONS CONSTRUCTION CO.

Hon. Thanh Hai Ngo: Honourable senators, my question is for the leader. The Government of Canada is considering approving the sale of the Toronto-based Aecon Group, a 140-year-old Canadian construction company, to China Communications Construction Company, owned by the Chinese Communist Party. If this deal is approved, the Government of Canada will allow China to build our critical infrastructure. This means that our future airports, universities, gas distribution lines, hydroelectric dams, water treatment facilities, nuclear power plants and health centres would be built by a Chinese state-owned multinational that was previously barred by the World Trade Organization for fraudulent practices, red flagged by a Transparency International report for using building material containing asbestos to build a children's hospital in Australia in 2015, and blacklisted in Bangladesh last January for offering bribes to government officials and that is controlled by the interests of an unaccountable, single-party, authoritarian regime.

• (1440)

The list goes on and on and on, and yet the Government of Canada refused to be clear to Canadians if, when and how this acquisition would take place or if the highest level of security vetting will apply.

Can you tell us this, at least: What is the government timeline with this acquisition, and is the Canadian government considering a Canadian solution?

Hon. Peter Harder (Government Representative in the Senate): Again, I thank the honourable senator for his question. When he asked me a similar question last week, I went back in the record because I know that, in the fall, I had similar questions. This is now the twelfth time I will be answering this question, and it won't surprise you that I'll say what I said before, which is to say — Pardon me, senator? Did you have something to say?

Hon. Donald Neil Plett: Yes. You haven't answered the question yet.

Senator Harder: Yes, I have. Check the record. Twelve times. What is it? One, the process is defined by the Foreign Investment Review Act. That investment review act provides for a confidential commercial review to assure that it is in Canada's interests. The Government of Canada has said that it would invoke the national security review provisions with respect to this application and that the minister will take all of this into consideration as he exercises his responsibilities. That's the law. That's what is being put forward, and the timelines, senator, are in the act.

Senator Ngo: Thank you for your response. It is not exactly what I would like to hear, either.

My supplementary, Mr. Leader: Canadians expect their government to be transparent, and they have the right to know if their critical infrastructure will have a "Made in China" label.

Can you tell us if you, as the current president of the Canada China Business Council and as a member of this group for the past 10 years, are involved in this acquisition process in any way?

Senator Harder: Just for the record, senator, I have not been the president of the Canada China Business Council for several years, and, with respect to the process, senator, you will know that this process is managed through the responsibilities of the Minister of Innovation, Science and Economic Development, who has exclusive jurisdiction with respect to the review process.

If the insinuation of his question is that I am exercising some influence on the part of a particular foreign government, I just want to disabuse him of that, either in my role with the Canada China Business Council or in my role today.

VETERANS AFFAIRS

STATUS OF BILL C-319

Hon. Pamela Wallin: My question is for the Government Representative, and it concerns the marriage after 60 clause, also known as the gold digger clause. This archaic clause, to risk understatement, denies pension benefits to a surviving spouse if a veteran marries after the age of 60. It also apparently applies to public servants, members of Parliament, judges and members of the RCMP. This clause dates back to the Boer War of 1902, when the British government enacted the legislation known as the gold digger clause in order to prevent young women from marrying older veterans just for their pensions. Bill C-319, introduced in the other place in November of 2016, proposes to repeal the subsections of the relevant acts to address marriage or cohabitation after retirement, ceasing to be a member, or ceasing to hold office in the case of a judge.

Can the representative provide us with a status report and whether or not it is the government's intention to get out of the bedrooms of the nation and repeal this bizarre clause, especially since women now make up a large part of the workforce and, given that we are living a little longer, it is possible that men and women may also wish to marry after the age of 60?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for her question. I had the occasion to enquire with the Minister of Veterans Affairs and can assure the honourable senator that this matter was part of his mandate letter and that he is looking forward to proceeding with remedies in the very near future.

[Translation]

PUBLIC SERVICES AND PROCUREMENT

SOCIAL MEDIA

Hon. Claude Carignan: My question is for the Leader of the Government in the Senate. A recent document prepared by Public Services and Procurement Canada revealed that, last year, the Trudeau government spent \$16.8 million, or 54.7 per cent of the government's advertising budget, on platforms such as Facebook and Google. That same government is considering subsidizing the traditional media, particularly print media, to ensure their survival. Don't you think that the government should restore some balance to its presence in the traditional media, and that this would be a better way to support and subsidize traditional media, instead of handing advertising revenues over to American multinationals that do not pay taxes in Canada?

[English]

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question. I will bring his question to the attention of the appropriate minister, but let me simply repeat that it is the government's policy that its communications with the Canadian public should be through various media, and, certainly, the growth of social media — even senators are using social media — is the way to keep in touch with Canadians. The rebalancing of strictly print media to social media, print media and electronic media of all sorts is part of the ongoing efforts to ensure that the Government of Canada is in touch with Canadians through the media with which Canadians keep themselves informed.

But, with respect to the question, I will bring it to the attention of the responsible minister and seek a more enlightened response.

[Translation]

NATIONAL REVENUE

FOREIGN COMPANIES DOING BUSINESS IN CANADA

Hon. Claude Carignan: We also learned that Prime Minister Trudeau will be travelling to the United States sometime in the next four days. He will be visiting Chicago and San Francisco specifically. He is supposed to be meeting with major American industry players, including people from Amazon. Does the Prime Minister plan on meeting with any Netflix representatives, and will he speak with them about the possibility of Netflix paying taxes in Canada?

[English]

Hon. Peter Harder (Government Representative in the Senate): Again, I thank the honourable senator for his question. It gives me the opportunity to inform the house of the importance the Prime Minister attaches to this, his fifteenth visit as Prime Minister to the United States. He will be meeting with a number of business and other audiences to remind Americans of the

advantage that NAFTA provides and to build on the cooperative work done across parties and levels of government to engage with our American friends.

With respect to his visit to California, he is meeting with a number of leaders in the innovative social media space of the United States. Senators will know that Amazon, to which the honourable senator referred, is in the process of making a very significant investment and identifying a new hub, and I'm happy to report to senators that one Canadian city, Toronto, is part of a final group. I would expect that those conversations will be had.

With respect to the particular question, I will seek to determine whether or not that is on the itinerary, but I don't have a response to the specific question.

• (1450)

[Translation]

Senator Carignan: What I understand from the leader's response is that the Prime Minister won't be trying to convince those multinationals to pay taxes in Canada. Instead, he'll be doing his best to schmooze, perhaps even offering cheques to convince Amazon to come and set up shop in Canada.

[English]

Senator Harder: Senator, I would encourage you to become informed of the application made by the City of Toronto with the support of the city, the business community and the province to root for Canada and its entry in this significant investment opportunity.

JUSTICE

CLASS ACTION LAWSUIT—STATEMENT OF DEFENCE

Hon. Victor Oh: Honourable senators, my question is also for the Leader of the Government in the Senate.

Senator Harder, last night CTV reported that the federal government is attempting to stop a class action lawsuit alleging sexual assault and harassment in the Canadian Armed Forces. The news reporter stated that the federal government argued in court filings that it does not:

... owe a private law duty of care to individual members within the CAF to provide a safe and harassment-free work environment, or to create policies to prevent sexual harassment or sexual assault.

I understand that earlier today the Prime Minister said that his government put forward by Justice Department lawyers does not align with the belief of his government and asked Minister Wilson-Raybould to follow up with those lawyers.

My question is: How could the Minister of Justice permit such arguments to be made in the first place? Was the minister or her office aware of the statement of defence in this case, which was reportedly filed by the Department of Justice lawyer in December?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question. I will take note of the question and seek answers.

ORDERS OF THE DAY

STRENGTHENING MOTOR VEHICLE SAFETY FOR CANADIANS BILL

BILL TO AMEND—AMENDMENTS FROM COMMONS—
DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Harder, P.C., seconded by the Honourable Senator Ringuette:

That the Senate concur in the amendments made by the House of Commons to Bill S-2, An Act to amend the Motor Vehicle Safety Act and to make a consequential amendment to another Act; and

That a message be sent to the House of Commons to acquaint that house accordingly.

An Hon. Senator: Question!

Hon. Art Eggleton: I had asked that this matter be adjourned yesterday. I wanted a chance to look at amendments that were made. Having been part of the committee discussion originally when they were crafted, I'm now satisfied with it, as is the Canadian Automobile Dealers Association. I hope we can get on with adopting this bill.

Hon. Yonah Martin (Deputy Leader of the Opposition): We have not had a chance to look over this measure in caucus. I will take the adjournment for today and hope to come back to it for next week.

(On motion of Senator Martin, debate adjourned, on division.)

CANADA BUSINESS CORPORATIONS ACT CANADA COOPERATIVES ACT CANADA NOT-FOR-PROFIT CORPORATIONS ACT COMPETITION ACT

BILL TO AMEND—NINETEENTH REPORT OF BANKING, TRADE
AND COMMERCE COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Black, seconded by the Honourable Senator Gagné, for the adoption of the nineteenth report of the Standing Senate Committee on Banking, Trade and Commerce (*Bill C-25, An Act to amend the Canada Business Corporations Act, the Canada Cooperatives Act, the Canada*

Not-for-profit Corporations Act, and the Competition Act, with amendments), presented in the Senate on December 14, 2017.

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

Some Hon. Senators: Agreed.

Senator Plett: On division.

(Motion agreed to, on division, and report adopted.)

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

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

[Translation]

CANNABIS BILL

BILL TO AMEND—SECOND READING—
DEBATE CONTINUED

Leave having been given to revert to Government Business, Bills, Second Reading, Order No. 2:

On the Order:

Resuming debate on the motion of the Honourable Senator Dean, seconded by the Honourable Senator Forest, for the second reading of Bill C-45, An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts.

Hon. Rosa Galvez: Dear colleagues, I rise today to speak at second reading of Bill C-45.

[English]

Government consultations indicate social acceptance for the use of cannabis among baby boomers and millennials. However, for my generation, the parents of millennials, recreational cannabis consumption raises many public health and safety concerns. According to UNICEF, Canadian teenagers use cannabis more than the youth in other developed countries.

As a nation, young people are our intellectual and social capital. They assume the responsibility to stimulate development, peace and democracy, and to promote Canadian values. A healthy environment for the development of youth is through increased social awareness, education, satisfying employment and entrepreneurship.

[Translation]

I read the proposed legislation fully cognizant of the fact that decriminalizing cannabis possession is an urgent matter and that we need to put an end to the crime wrought by the black market.

The extent of the effects of cannabis on young people has been well known for quite some time. The government could have created programs a long time ago to educate the public and raise awareness about issues associated with cannabis abuse or motivate young people by creating programs in the areas of arts, sports, science and technology in order to provide them with healthy leisure activities.

When you compare Bill C-45 with scientific reports or what other countries have experienced, it becomes clear that the bill contains a number of gaps and inconsistencies in relation to the objectives set out by the government. These gaps and inconsistencies require careful reflection and improvements.

[English]

There is strong scientific consensus that cannabis is addictive. In the short term, it can impair cognitive function and motor coordination and in the long term it can lead to respiratory problems, cognitive impairments in learning, memory and attention, increased risk of psychosis and schizophrenia, increased anxiety and depression and is linked to low-weight babies.

Canada is one of the top 10 cannabis consuming countries in the developed world. Why? Psychosocial studies identify several factors: the effect of THC in relieving stress, anxiety, fear, pain or anger related to personal, psychological or family issues; it allows for more intense sensations; popular culture endorses cannabis use; there is a low perception of harm; and also because of peer or family influence. Bill C-45 will impact several of these factors.

Cannabis consumption data reveals a large range of potential users: between 6 and 21 per cent of the Canadian population. Of these users, 0.3 per cent are legally registered to purchase medical cannabis from 88 licensed producers. Recent data shows that the number of medical users has increased to 235,000 in 2017. This fact alone raises great concerns about health deterioration if so many Canadians need medical cannabis.

Cannabis users represent a very low percentage of the Canadian population. Yet, this bill appears tailored to their needs. Of the individuals who responded to the government consultation, 79 per cent were medicinal or recreational users of cannabis. Based on this, have we considered these consultations representative of the Canadian population?

• (1500)

Are the rights of non-users respected by C-45? Will a child's right to a cannabis-free environment be respected? Will work-related risk to non-users increase after legislation? Moreover, addiction is considered a handicap that requires accommodation. Will this legalization impose higher costs to employers or schools for accommodation? Should non-users pay for this?

The present medical cannabis situation reveals parallel worlds: One is the world of illegal dispensaries where "medical" cannabis products with potencies from 2 per cent to 30 per cent THC can be purchased. The other world involves patients being treated at hospitals with cannabidiol or cannabinoid products at very low THC concentrations, from 0.2 to 3 per cent, that are

administered via patches, pills, intravenously or by suppositories. In the former, the more visible world, the number of illegal suppliers and dispensaries is unknown. Even the Vancouver-based Canadian Association of Medical Dispensaries doesn't know. Spokesperson J. Shaw estimated that there are 90 in Vancouver and 70 in Toronto.

In 2016, *The Globe and Mail* investigated cannabis quality in dispensaries. The results showed that some products failed a variety of quality-control tests as they contained more unsafe levels of micro-organisms, potentially harmful bacteria and even toxic pesticides. Canadian standards don't require testing for pesticides, yet growers use them to save money.

Can it be said that Canadian legislation of medical cannabis was a success? Why, 16 years later, is medical cannabis not sold as a typical pharmaceutical drug? Will legalizing recreational cannabis, extending from a failed medical system, have a chance to succeed?

Bill C-45 is a complete repeal of prohibition and an absence of regulation. It transfers the majority of the responsibilities of legalization to the provinces, which in turn are transferring them to municipalities. However, consideration should be given to keeping more controls at the federal level. Following the legislative experiences in other jurisdictions, policy experts propose alternatives. A central agency or authority that could better control the supply chain or a system of non-profit organization or agency that control a few for-profit licences are good alternatives. Instead, by dispersing responsibility and not establishing clear, measurable goals, Bill C-45 sends a mixed message in terms of health, but also what the real intent of the government is.

The business of cannabis in Canada extends far beyond the health sector. Medical cannabis companies are moving fast to the recreational market. Deloitte and others estimate the value of the Canadian market at \$29 billion. Aurora Cannabis is building the world's largest cannabis production facility near Edmonton. Golden Leaf Holdings is making high-potency recreational products including oils and edibles. Honourable senators, \$700 million has been raised just in the last six months for cannabis businesses with some of these funds coming from fiscal paradises.

Policy experts emphasize that achieving the legislative objectives, namely, reducing illegal markets and the criminalization of youth, will depend on the retail price of cannabis. Prices will have to be competitive with those offered by illicit cannabis dealers but also prohibitive so as to discourage increased use.

Further, the infrastructure required to ensure quality control may increase pricing pressure. Despite the need to maintain this delicate balance, the reality is a free "yo-yo" type of market. It is critical to understand that both health and economic sectors agree that the increased availability of cheap recreational cannabis will most likely result in increasing cannabis use. Moreover, experts in the medical sector expect an increase in cannabis abuse and cannabis dependence with legalization, as shown in many studies of young university students in the U.S.

How will legalization limit youth access to cannabis and therefore decrease youth consumption? What will happen with medical cannabis dispensaries after legalization? Where is prevention, well-known to be the most effective and cheaper method to solve a problem?

In late 2017, the U.S. National Academy of Sciences released an in-depth report on cannabis. The report's findings are important and revealing. In the past decade, there has been an influx of high-potency cannabis products in the U.S. such as sinsemilla, an engineered plant grown from clones, not from seeds. Data from U.S. DEA seizures record a substantial increase in potency, from 4 per cent in 1995 to 30 per cent in 2016. At 30 per cent THC content and higher, users are not seeking a recreational effect. As a child psychiatrist said:

Today cannabis is a whole different substance than that idealized by hippies; the only people saying cannabis is not addictive are regular users and vendors.

In fact, last year Colorado proposed an amendment to limit the potency of THC in cannabis products to 16 per cent. Not only do we know little about the health risk of high-potency cannabis products, but we don't fully understand the effect when cannabis is consumed with other intoxicants. Yet, we know a lot more about cannabis compared to alcohol and tobacco when they entered our lifestyles.

Are imports of cannabis seeds being controlled by the Seed Act and Agriculture Canada? Should prices be fixed based on THC content rather than weight as recommended by the task force? How will competition be controlled? Can a minimum price be set? Will the products' labels warn about all known adverse health effects? Are we allowing policy to outpace science?

Hundreds of studies show that cannabis has negative impacts on young, developing brains. It affects cognition, academic achievement and educational outcomes to various degrees, via various brain mechanisms and to various degrees of irreversibility.

Cannabis impairs the brain function in young people in terms of planning, reasoning, inhibitory processes, self-monitoring and problem solving. Through the use of neuroimaging techniques, some studies observe alterations in grey and white brain matter, the centres for decision making, executive function and communication between brain regions, from cannabis use. The medical research has also expressed strong concerns that the potency, frequency and mode of intake can alter these effects.

In one study of 410 patients with first-episode psychosis, the risk of individuals having a psychotic disorder was roughly three times higher for those who use more potent THC — a potency rate between 40 and 60 per cent — compared to those who never used cannabis.

Epidemiological data show that 30 per cent of users of cannabis present a variety of cannabis disorders. The U.S. Drug Abuse Warning Network estimated that in 2011 there were 456,000 drug-related emergencies in which marijuana use was mentioned in the medical record. In the U.S., there are 88 ongoing research studies on how to treat cannabis dependence.

What are the THC dosages, potencies, administration routes, accumulation rates, consumer age, conditions and habits that trigger this brain damage in young people? What are the cumulative impacts of the use of cannabis with other intoxicants? How will emergency and psychiatric services cope with an increase in cannabis disorders? Aren't they already overloaded with the opioid crisis — a legal pharmaceutical product that has caused a serious societal problem? What are the costs of providing addiction support and services to users who eventually will want to quit cannabis? Are we mortgaging the future of young First Nation peoples or those young people wanting to pursue STEM careers? Can we expect legal action from individuals and groups against the government and/or private companies if this legalization experiment fails?

• (1510)

All the facts and data I presented today include references at the end of this speech. They show that the risk of harm to the healthy development of young people through cannabis use and abuse is not only real but substantial. The legalization of cannabis needs a larger, integrated and comprehensive strategy, and, in its present form, Bill C-45 appears to focus more on economic and criminal priorities.

The government must put health considerations at the forefront, adopt a real and not only theoretical public health approach without promoting, intentionally or unintentionally, the emergence of an economic sector or using legalization as political leverage to support an existing risky practice.

Honourable senators, I invite you to work with me on shifting the focus of this legislation to prevention, education and health, as was the intent. Thank you very much.

The Hon. the Speaker *pro tempore*: Senator Lankin, do you have a question?

Hon. Frances Lankin: Yes. Would the honourable senator take a question?

Senator Galvez: Yes.

Senator Lankin: Thank you very much. You made strong representation all the way through your presentation and wrapped it up in a powerful way about —

The Hon. the Speaker *pro tempore*: Honourable senators, can I ask for leave to extend Senator Galvez's time for five minutes?

Hon. Senators: Agreed.

Senator Lankin: You wrapped up with a strong plea for us to make the focus on public health real and not just theoretical. I want to agree with you completely.

I didn't have a chance yesterday to ask questions of the minister. I would have wanted to follow up on Senator Batters' question around youth and mental health, in particular. One of the things that I am very concerned about is that prevention education has to be a big platform. They are committed to it. There is lots to be sorted out to make sure that's effective. But I do not see, in this, the focus of what we need to do to work on youth mental health issues, because, quite frankly, people may turn to cannabis as a result of mental health issues, or mental health issues may be exacerbated by the recreational use of cannabis, one that wasn't preceded by a perceived need from the illness.

There is much that can be done, but I wonder if you have thought about that particular angle of mental health and what a public health approach that you're calling for might look like in the context of this bill.

Senator Galvez: Thank you very much for the question. Actually, if you do a very quick exercise and you assume that you are a 16- or 18-year-old adolescent who wants to know how many joints you can smoke and at what potency before having some kind of danger to the development of your brain, you won't find this even after 200 results.

However, if you assume the position of being a businessman who wants to create cannabis, you will find, in the first 20 or so results, everything that you need. We have to put that information in a plain form that everyone can understand, and, of course, ensure that, in the products that will be sold, all of the potential dangers are listed.

[Translation]

Hon. Pierre-Hugues Boisvenu: I have a question for the senator.

[English]

The Hon. the Speaker *pro tempore*: Senator Galvez, your time has expired. Will you take another question from Senator Boisvenu?

Senator Galvez: Of course.

[Translation]

Senator Boisvenu: Senator, congratulations on delivering such a fine speech. It really hit the mark. Yesterday, as you know, we welcomed three ministers here and we talked about how the whole black market issue probably won't go away. In

fact, the Minister of Public Safety and the RCMP confirmed at a committee meeting this week that roughly 30 per cent of marijuana will remain on the illegal market. We know that illegally produced marijuana poses the highest health risk because it is not subject to quality control. We also learned that 40 per cent of the capital for licence holders comes from the illegal market.

We asked the Minister of Public Safety to consider promoting greater transparency when it comes to producers in order to ensure that Canadian cannabis producers are above board and that production meets the highest standard of quality because we will know who is producing what. What do you think of that proposition?

[English]

Senator Galvez: Thank you very much for the question. There is supposed to be a tracking system. This tracking system should do two things in parallel — the economic aspects and the health aspects. So far it's doing very little about consumption; so it's not enough. This tracking system should be very transparent — all the information should be there — and I'm sorry to say it this way, but it is important to know who is getting rich out of this new emerging sector.

Hon. Senators: Hear, hear!

[Translation]

The Hon. the Speaker *pro tempore*: Senator Bellemare, there is one minute remaining.

Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate): Would the senator agree to take a question?

Let me begin by commending you on the research you did for your presentation. It was excellent. I have children, although their teenage years are behind them. Medical experts I consulted in the past always told me that alcohol is far more dangerous than cannabis. Did any of your research measure the effects of alcohol consumption on young people relative to the amount of alcohol consumed, based on the blood alcohol levels we are seeing?

[English]

Senator Galvez: Thank you very much for the question.

[Translation]

Indeed, there are many drugs that can exacerbate the effects of cannabis. They worsen its effects. I have seen it first-hand among university students. They stress about their math exam so they smoke pot to relax, but sometimes that has the opposite effect. It makes them feel more stressed. There are a lot of studies currently under way looking at the effects of the drug.

[English]

The Hon. the Speaker *pro tempore*: Senator, your time has elapsed. Are you asking for five more minutes? Honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker *pro tempore*: Senator Galvez, you may finish your answer.

[Translation]

Senator Galvez: Research is certainly under way. It is essential that we understand the cumulative effects of a number of drugs. We are mainly focusing on tobacco and alcohol, but we should also be talking about amphetamines, Xanax, and many other drugs, including cocaine, obviously. However, to date, what we know is that all of these other drugs exacerbate the effects of cannabis.

Hon. Renée Dupuis: I would like to ask Senator Galvez a question.

You spoke about prevention, an issue that is very important to me. I'm wondering whether you have looked at what type of message should be used in prevention efforts. Let me explain what I mean. We are dealing with a rather complex issue, a dangerous substance that has nevertheless been approved for medicinal, not medical use. The term "medical use" seems to be used most often, but the correct term is "medicinal use," because cannabis is being used for pain relief, and doctors refuse to recognize its use for medical reasons. The medicinal use of cannabis has been legalized and many of the patients who are currently using it are, as you said, hippies who have reached an age where they need a significant source of pain relief. The message that marijuana can legally be used for medicinal purposes is being conveyed to the public since at least 2013. Cannabis is being presented to the public as a product that can benefit some people.

However, this product can pose a serious threat to young people, as you so clearly pointed out. Have you thought about what type of message needs to be developed so that prevention efforts can truly be effective?

Senator Galvez: Thank you very much for the question. I believe that the problem is that youth consider cannabis to be a medication on top of having medicinal properties. Thus, the risk is perceived to be very low. The adverse effects are not as well known or properly communicated to young people, who are then left with the impression that cannabis can also be a medication that relieves stress and that that's the reason for legalizing it, instead of realizing that it is an addictive substance that can potentially seriously damage the brains of young people between the ages of 13 and 25. I'm certain that there are experts who know how to convey certain messages, but I do not have this expertise.

• (1520)

Hon. Raymonde Gagné: Will the senator take another question?

Senator Galvez: Yes.

Senator Gagné: In your presentation, you mentioned that someone who uses cannabis should bear the responsibility and suffer the consequences. You also alluded to the price to be set, and the tax. We know that the tax charged will be \$1 per gram or 10 per cent of the sale price. In Colorado, the tax is 30 per cent and in Washington, it is 37 per cent. The price and the tax are tools that could discourage consumption. Also, earnings could be invested in prevention, education and public awareness. Are you able to clarify what you meant when you said that consumers of cannabis should bear responsibility for their consumption?

[English]

Senator Galvez: It's a very important question. That's why I made the difference about these two parallel worlds in the medical sector. You have the ones that are really in need for pain, for HIV, for cancer and chemotherapy. They are receiving very small dosages of THC via different paths.

The Hon. the Speaker *pro tempore*: I'm sorry, senator. Your time is up.

An Hon. Senator: Five minutes.

The Hon. the Speaker *pro tempore*: No, thank you. We're moving on.

May I add a personal remark, senators? Please, when you ask questions, skip the long preambles.

Some Hon. Senators: Hear, hear!

The Hon. the Speaker *pro tempore*: You just cut short Senator Galvez's interesting answers.

Senator Martin, are you taking the adjournment?

Senator Martin: I will move the adjournment of the debate, if it's concluded.

[Translation]

Senator Gagné: May I ask another question? I thought that five more minutes had been granted.

The Hon. the Speaker *pro tempore*: No, that was the second five-minute extension, so your time is up. I'm sorry.

Senator Gagné: Can I take the adjournment in my name?

The Hon. the Speaker *pro tempore*: No.

[English]

I'm sorry. I saw the senator first.

(On motion of Senator Martin, debate adjourned.)

CANADA ELECTIONS ACT

BILL TO AMEND—SECOND READING—
DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Frum, seconded by the Honourable Senator Housakos, for the second reading of Bill S-239, An Act to amend the Canada Elections Act (eliminating foreign funding).

Hon. Marc Gold: Honourable senators, I rise to speak to Bill S-239, An Act to amend the Canada Elections Act (eliminating foreign funding).

There is no doubt that the impetus for this bill, and for the June 2017 report of the Standing Senate Committee on Legal and Constitutional Affairs, were the activities during the 2015 election whereby several third parties that received funding from U.S. foundations supported and promoted an anti-Conservative government message. But lest you see this issue exclusively through partisan eyes, you should also know that complaints were registered from those who alleged interference in the 2011 election by a U.S. group with ties to the Republican Party, who were campaigning on behalf of Conservative candidates. So if foreign money is a problem, it shouldn't matter whether it comes from George Soros or the Koch brothers. The issue of foreign funding of third party election campaign activity is a real issue, and it deserves attention.

[Translation]

As Senator Frum said in this chamber, the Canada Elections Act does not stop many kinds of foreign fundraising activities held by third parties during an election process. The act currently prohibits only foreign contributions to third-party advertising, although Elections Canada provides a very narrow definition of advertising. As a result, a number of other electoral activities, such as organizing rallies, as well as commissioning and conducting a poll, are not considered to be advertising and may be financed by foreign contributions.

Furthermore, the act only addresses foreign contributions received six months before the issue of the writ. Contributions made before this period are treated as contributions by Canadians for the purposes of the act, and the third party is free to spend this money as they see fit.

Therefore, a number of people agree that changes are needed to the Canada Elections Act to fix this problem. The Commissioner of Canada Elections testified before the Standing Senate Committee on Legal and Constitutional Affairs and said, and I quote:

... it may be time for Parliament to re-examine the third-party regime that was put in place 17 years ago with a view to ensuring a level playing field is maintained for all participants.

I completely agree with the commissioner, but we must ask ourselves whether Bill S-239 is the right way to fix the problem.

[English]

Consider first the prohibitions in the bill. Section 331 of the act currently prohibits persons who are neither citizens nor permanent residents from inducing electors to vote or refrain from voting for a particular candidate. This prohibition applies “during an election period.” The bill would expand that prohibition in several ways. It would now be an offence to make a contribution to a person for the purpose of causing, directly or indirectly, that person to induce voters to vote or refrain from voting; and, moreover, the prohibition would now apply in relation to an election, not simply during an election period.

Bill S-239 also broadens the scope of the prohibition on the parties receiving the contribution by prohibiting them from accepting a contribution from a foreign source “for any purposes related to an election.”

Honourable senators, I am uneasy with both the vagueness and breadth of these prohibitions, especially as they relate to Canadians' rights to express themselves on issues of public interest. What impact would this bill have on the right of Canadians to advocate on issues central to their mission when those issues appear to mirror a particular party's campaign platform? I think this was the concern Senator Omidvar expressed when she worried the bill would result in what she termed “a tremendous advocacy chill.” This is what Senator Woo meant when he remarked that the bill “creates the potential for politically motivated mischief on the part of partisans who seek to stymie legitimate public policy advocacy”

• (1530)

Second, please consider the broader question of foreign influence on our elections. As we would all acknowledge, the possibility of foreign influence in our elections goes well beyond the funding of third parties and extends to the various ways social media and new technologies can be used to channel messages to Canadians for the purpose of influencing their voting behaviour. We need only reflect upon the recent presidential election to the south, or to evidence of foreign interference in several European elections, to conclude that the issue is a large and complicated one.

Indeed, in its 2017 report on cyber-threats to Canada's democratic process, the Canadian Security Establishment warned that political parties and the media are increasingly likely to be targeted by foreign actors and activists during upcoming election campaigns.

This is a problem acknowledged by the Chief Electoral Officer, who stated that the act “is not very well adapted for the trends in new media.” He went on to observe that any changes to the act “would require a very in-depth study that goes beyond the capacity or even the mandate of Elections Canada in that regard.”

Clearly, honourable senators, Bill S-239 does not purport to address this issue at all.

[Translation]

In closing, if the purpose of the bill is to level the playing field, we cannot ignore other flaws in the Canada Elections Act that need fixing.

As I noted, the narrow interpretation of campaign advertising means that a number of campaign activities are not covered by the act. As such, foreign and domestic interests, be they commercial or philanthropic, conservative or progressive, can funnel money to third parties that can spend it during an election campaign without breaking the law. That element of unfairness exists whether the money is given to third parties by Canadian actors or whether it comes from foreign sources, corporations or foundations.

[English]

Honourable senators, as I understand it, the purpose of second reading is to debate the bill in principle before determining whether it should proceed further. Let me share my dilemma with you. I find myself balanced between two other somewhat competing principles.

First, it is clear that the Canada Elections Act is overdue for a major revision. The point has been made by the Chief Electoral Officer and the Commissioner of Canada Elections. And the February 2017 mandate letter to the Minister of Democratic Institutions identifies a number of issues, including the issue of third-party spending, that the minister is instructed to pursue. This is to be welcomed. The integrity of our election process is important and fundamental, and the issues that bear upon its integrity need to be addressed in a serious and comprehensive way. But as a matter of principle, I'm of the view that the best way to proceed would be by way of a government bill that addressed all the issues, rather than in a private member's bill, and one that focuses on only one dimension of the problem.

But there is another principle at stake, and that pulls me in the opposite direction.

Honourable senators, I respect the processes that we have here in this place to ensure that bills receive thorough and critical scrutiny. As such, I believe that most bills should be sent to committee so that they may benefit from a proper review. As I've said, I have serious concerns for the scope of the prohibitions in bill. I don't believe they adequately address the full range of issues related to foreign influence on our elections and would have preferred to see the issues addressed in a comprehensive government bill. Nevertheless, is that a sufficient reason to not tackle the relatively narrow issue that Bill S-239 does address?

If the bill's possible shortcomings can be remedied and the bill thereby improved at committee, then why not let the committee do its work and report back to the chamber when it is done? To conclude otherwise would be to let the better be the enemy of the good. For that reason, and notwithstanding my serious reservations about certain aspects of this bill, I would support sending the bill to committee for further study.

But let me conclude with some suggestions to the committee with respect to the range of witnesses that might be called and the issues upon which they should be invited to testify.

Bill S-239 is a private member's bill. To be sure, private members' bills are legitimate and can sometimes bring forward important issues that are otherwise neglected. Nevertheless, in my experience, limited though it is, private members' bills pose particular challenges for committees seized with their study. The central problem is getting a handle on how it fits in with legislation as a whole and how the government views that bill. We don't always have the luxury or even the possibility of studying a private member's bill to get government's views on the matter, and absent that input, it is very hard for a committee to do its work properly.

In this respect, it will be critical that the committee seek government input early on in its study to make sure that it understands how the bill would fit in with the existing act, how the key elements in the bill — prohibitions, in particular — would be interpreted, and what other measures the government might be contemplating to ensure the fairness and integrity of our electoral process. As has been pointed out in this chamber, there are a number of possible ways in which the Canada Elections Act might address the issue of foreign funding of third party election activity, of which the approach taken in Bill S-239 is but one.

Moreover, it would be important for the committee to hear from all the stakeholders that would be affected by the bill, including representatives of Canadian organizations who advocate on matters of public policy, whether or not they register as third parties under the act.

I would also encourage the committee to focus witness testimony on the scope of the prohibitions set out in the bill and, in particular, the extent to which they might restrict or inhibit the ability of Canadians to express themselves on matters of public policy as guaranteed by the Canadian Charter of Rights and Freedoms.

Honourable senators, I am not invoking the Charter as a *fin de non recevoir* — a blunt club to put a stop on debate. In fact, I would tend to agree with Marc Chénier, General Counsel and Senior Director, Legal Services, of the Office of the Commissioner of Canada Elections, when he stated that there can probably be a regime adopted that would respect the constitutional values of liberty of association and freedom of expression as guaranteed by the Charter. But it is not clear that Bill S-239 is such a regime, and this would need to be examined very carefully in committee.

In conclusion, honourable senators, I thank Senator Frum for bringing this issue forward, and I do look forward to the bill receiving the thorough review that it deserves in committee.

Hon. Nicole Eaton: Honourable senators, I rise today to speak to Bill S-239, An Act to amend the Canada Elections Act (eliminating foreign funding).

This bill, introduced by Senator Frum, closes a loophole in the Canada Elections Act that allows foreign involvement in Canada's electoral process — a loophole that allows unlimited foreign money to pour into Canada to be used by third parties to influence and distort Canadian elections. This is not a hypothetical problem. It is very real. It has had an impact in the past and will have a greater impact in the future if we don't fix it.

There were 114 third parties registered in the 2015 federal election, up from 55 in 2011, and they spent a combined \$6 million in advertising alone. No one knows how much they spent in other election activities such as polling, event organizing or paid campaign staff because that information is not tracked.

And according to the Commissioner of Canada Elections, Yves Côté, in testimony last year at the Standing Senate Committee on Legal and Constitutional Affairs, third party involvement “will likely continue to grow.” He suggested it is time for Parliament to re-examine this issue “with a view to ensuring a level playing field is maintained for all participants.”

According to the commissioner’s office, there were 105 complaints about the activities of third parties in the 2015 election, up from just 12 in 2011. Much of the third-party involvement in the 2015 election was focused on defeating the Conservative government, and groups such as the Dogwood Initiative and Leadnow were funded, in large part, by foreign sources. For example, the Tides Foundation, a U.S. group that takes donations and washes them so that donors are anonymous, contributed nearly 700,000 to eight registered third parties during the last election year.

• (1540)

This is the same Tides Foundation that has spent tens of millions of dollars to try to shut down Canada’s resource sector. What those third parties did with that money is anybody’s guess because the Canada Elections Act, when it comes to preventing foreign influence in Canadian elections, has significant shortcomings.

I realize this is of little concern to some of my friends on the other side of the aisle, who were happy to see an international effort bring sunny ways to Ottawa. But we should all care about this. Last time, it was George Soros helping to decide who should govern Canada, but it might be Vladimir Putin or the Koch brothers next time. Unless we close the door to foreign funding, we are inviting them in.

Section 331 of the Canada Elections Act would lead most people to believe there is no place for foreign funding in Canada’s elections. Here is what it says:

No person who does not reside in Canada shall, during an election period, in any way induce electors to vote or refrain from voting or vote or refrain from voting for a particular candidate unless the person is (a) a Canadian citizen; or (b) a permanent resident

But Elections Canada does not consider donating money as contributing to inducement. Really, I find that extraordinary. They do not track donations that come in more than six months prior to an election, which means that a foreign state that wants to interfere in a Canadian election can contribute as much money as it wants to a registered third party, provided the donation is received more than six months before the campaign. Then, the money becomes indistinguishable from the organization’s domestically raised funds as far as Elections Canada is concerned. In an era of fixed-date elections, this is a loophole that must be closed.

To compound matters, the only prohibition Elections Canada puts on foreign money is when it is spent on advertising, and they use a very narrow 20th century definition of advertising. This bill clarifies and strengthens section 331 by specifying that donating money is a form of inducement too and that third parties are not allowed to accept foreign contributions for any purposes related to an election at any time.

It also makes it an offence for a third party to accept such contributions. It is a very simple fix for a very serious problem.

I find it surprising, first, that the government has not already acted on this and, second, that any parliamentarian could disagree with this bill. But we have heard from both Senator Omidvar and Senator Woo that they oppose this bill for various reasons, some of which I find astonishing. For example, Senator Woo, in suggesting that Senator Frum’s bill may be motivated by parochialism, makes the argument that . . . “foreign nationals may be conveying truthful information to counter untruths propagated by sources within the country.”

Maybe we should go to the United States or Europe? Maybe Angela Merkel could have used our help in the last election? I’d like to think Canadians are a bit more savvy than that.

Canadian elections are to be decided by Canadians, without foreign intervention. Both Senator Omidvar and Senator Woo believe Bill S-239 has a loophole because it continues to allow the funding of third parties by Canadian subsidiaries of foreign corporations. Senator Omidvar called this “a significant and unfair advantage for business interests.” Her concern is that foreign corporate interests could still influence Canadian elections by funnelling money through Canadian subsidiaries. While it is true that a corporate subsidiary based in Canada would still be able to contribute to a registered third party, so would a foreign-based trade union that holds bargaining rights for employees in Canada.

The reality is that many firms operating in this country are subsidiaries of large multinationals. There is no reason why these companies, which contribute to Canada’s social and economic well-being, should be excluded from playing a small role in the democratic process.

Another problem identified by both Senator Woo and Senator Omidvar was the risk of advocacy groups being unwittingly caught by the new rules. Senator Woo argued:

. . . potentially hundreds of policy advocacy organizations and charities . . . could be seen to be in violation of the act because they accepted donations from foreign sources

Senator Omidvar said a charity or non-profit could run afoul of this section simply by going about daily business of advocacy in public education. She cited a hypothetical scenario where a refugee organization could be at risk of facing charges under the Elections Act for advocating for a compassionate response to the Syrian refugee crisis.

With the greatest respect to both my colleagues, they are either creating a straw man to attack, or they have a fundamental lack of understanding of what is actually in Bill S-239.

First, the proposed prohibition on foreign donations to registered third parties is for purposes related to an election, not to prevent organizations from conducting their day-to-day affairs or advocating on public policy.

Second, and more important, this bill has no impact on most advocacy groups. It affects only those who registered with Elections Canada as third parties, and it does not change any of the rules regarding registration or what is considered a third party.

Both senators raised questions of clarity, but I would submit that the problem with the current Elections Act is a lack of clarity and logical consistency. A \$10 million cheque to a third party from a foreign entity, written six months and one day prior to a campaign is legal, while one written two days later is not.

An advertisement in *The Globe and Mail* is governed by the limits on advertising, but costs associated with producing content for a website, flyer, call centre or promotional event face no restrictions at all.

If clarity is the issue, it won't be found in the current Elections Act or in the way it is interpreted or enforced by Elections Canada.

This bill moves it light years ahead in terms of clarity. Both senators questioned if this bill is a sufficient response to the multiple challenges posed by advances in technology. Does Bill S-239 really consider the big picture? I think Senator Gold raised the same question in his very thorough speech.

Senator Frum's goal was never to solve every problem in the Elections Act. It was to solve this one problem: The bill is designed to tackle a very specific problem that was clearly identified in the 2015 election, and it's a problem that election officials, past and present, have invited — indeed urged — Parliament to address.

Jean-Pierre Kingsley, who served 17 years as Chief Electoral Officer, in an interview with the *Calgary Herald*, said:

This back door whereby foreign money came into Canada must be shut. We have got to slam it shut for the sake of the integrity of our electoral system.

One final point. Senator Omidvar questioned whether sufficient consultation went into the design of this bill. There is no question that an individual senator or member of Parliament does not have the resources to consult to the degree that ministers' offices can, but the Senate has a mechanism to deal with the problem. It's called committee.

Senator Patterson: Hear, hear.

Senator Eaton: Honourable senators, I encourage you to bring this bill to a vote, send it to a committee and subject it to full and fair hearings.

Hon. Jane Cordy: Would you answer a question?

The Hon. the Speaker: Senator Omidvar, did you wish to move the adjournment, or do you have a question?

Hon. Ratna Omidvar: I have a question.

The Hon. the Speaker: Senator Cordy first, and then we'll go to you, Senator Omidvar.

Senator Cordy: I know you said that the intent of this bill is not to solve every problem, but one of the things that has concerned me in the past — and I wonder if it would close this loophole — is the significant amounts of money that the NRA contributed to fighting against public policy related to the registration of guns.

Second, would it also close a loophole where the Koch brothers — who we know are huge financial contributors to Donald Trump and who contribute to the Fraser Institute in Canada, while they might not be during these specific election campaigns — would go against public policies that may become issues in a campaign? Would this bill stop those kinds of egregious infringements on public policies in Canada?

• (1550)

Senator Eaton: Senator Cordy, I could not agree more. In fact, this bill would not do that, because it is dealing strictly with an elections issues. I tried to convince Minister Flaherty, when he was Finance Minister, to tag every donation coming from the United States. For instance, the Koch brothers couldn't give something to Tides U.S., they would give it to Tides Canada. Then it would distribute funds to fight the NRA's fight or other things.

I wish we could close the door completely to foreign donations and to any advocacy group of any kind, but Minister Flaherty or Prime Minister Harper would not do that.

This bill, unfortunately, does not deal with that. It just deals with money going specifically to third parties registered under the Canada Elections Act.

Senator Omidvar: Thank you, senator, for your questions and your close perusal of my comments on this bill.

I wanted to ask you, since you have read the testimony of the Chief Electoral Officer, you may recall that one of the points he made — and I'm not sure if we were able to cover it appropriately in any of our speeches and hopefully, then, further in committee to come — but one of the points he made was that we should place third-party funding and the funding of political parties on the same level. He also noted that bringing them closer together in terms of legal requirements and limitations on what funds they can accept or not would be a desirable thing for the future.

But this legislation would not impinge upon corporations, as you said. Subsidiaries of foreign corporations could continue to funnel money to third parties, but political parties cannot accept corporate contributions. Do you have a comment on the widening of the gap between the political party and third-party regime? Is that something you think the committee should look into?

Senator Eaton: I don't know enough to comment about what you're asking me, so I think it would be an excellent point to bring up at committee.

Hon. Yuen Pau Woo: Could I ask another question of Senator Eaton?

The Hon. the Speaker: Senator Eaton will have to ask for more time. Her time has expired.

Are you asking for five more minutes?

Senator Eaton: Yes.

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

Hon. Senators: Agreed.

Senator Woo: I understand from your answer to Senator Cordy that you are pleased that this bill would not prohibit the Koch brothers, for example, donating to the Fraser Institute, which — I have a lot of respect for the Fraser Institute, this comment is not a statement about them. But Senator Cordy's point was really that if one were to think of a Fraser Institute or other organization that was overtly involved in political campaigning outside of the campaign period and not registered as a party in the elections that it would be okay for this foreign funding to go through their organization.

Aren't you, in effect, saying that this is a massive loophole that the proposed legislation has created, where a foreign organization, whichever it may be, is able to give money to an advocacy organization that does political lobbying, even though it is not registered as such?

Senator Eaton: Senator Woo, from doing the inquiry on the oil sands six years ago when a lot of money was coming in to support environmental groups, washed through Tides U.S. to Canada, et cetera, I learned that some people lost their CRA status. If you give a charitable receipt as a foundation, and you are doing obvious political work, you can lose your CRA status. You have to be very careful.

If the Koch brothers suddenly flooded money to the Fraser Institute, and all of a sudden, we saw huge ads against Prime Minister Trudeau's platform, they could lose their charitable status. That's our protection against that.

(On motion of Senator Dupuis, debate adjourned.)

DISTINGUISHED VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of our former colleague, the Honourable Roméo Antonius Dallaire.

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

Hon. Senators: Hear, hear!

SENATE MODERNIZATION

SEVENTH REPORT OF SPECIAL COMMITTEE— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Massicotte, seconded by the Honourable Senator Moore, for the adoption of the seventh report (interim), as amended, of the Special Senate Committee on Senate Modernization, entitled *Senate Modernization: Moving Forward (Regional interest)*, presented in the Senate on October 18, 2016.

Hon. Yonah Martin (Deputy Leader of the Opposition): Senator Wells is not able to speak today. With leave of the Senate, I would like to readjourn this item in his name to reset the clock.

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

Hon. Senators: Agreed.

(On motion of Senator Martin, for Senator Wells, debate adjourned.)

THE SENATE

MOTION TO ENCOURAGE THE GOVERNMENT TO MAKE PROVISION IN THE BUDGET FOR THE CREATION OF THE CANADIAN INFRASTRUCTURE OVERSIGHT AND BEST PRACTICES COUNCIL—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Bellemare, seconded by the Honourable Senator Enverga:

That the Senate — in order to ensure transparency in the awarding of public funds and foster efficiency in infrastructure projects in the larger context of economic diversification and movement toward a greener economy, all while avoiding undue intervention in the federal-provincial division of powers — encourage the government to make provision in the budget for the creation of the Canadian Infrastructure Oversight and Best Practices Council, made up of experts in infrastructure projects from the provinces and territories, whose principal roles would be to:

1. collect information on federally funded infrastructure projects;
2. study the costs and benefits of federally funded infrastructure projects;

3. identify procurement best practices and of risk sharing;
4. promote these best practices among governments; and
5. promote project managers skills development; and

That a message be sent to the House of Commons to acquaint that House with the above.

Hon. Yonah Martin (Deputy Leader of the Opposition): I move the adjournment of the debate.

(On motion of Senator Martin, debate adjourned.)

(At 4 p.m., pursuant to the order adopted by the Senate on February 4, 2016, the Senate adjourned until 1:30 p.m., tomorrow.)
