



DEBATES OF THE SENATE

1st SESSION



42nd PARLIAMENT



VOLUME 150



NUMBER 181

OFFICIAL REPORT
(HANSARD)

Wednesday, February 14, 2018

The Honourable GEORGE J. FUREY,
Speaker

CONTENTS

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

Debates Services: D'Arcy McPherson, National Press Building, Room 906, Tel. 613-995-5756
Publications Centre: Kim Laughren, National Press Building, Room 926, Tel. 613-947-0609

THE SENATE

Wednesday, February 14, 2018

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

Prayers.

SENATORS' STATEMENTS

THE LATE ASMA JAHANGIR

Hon. Peter Harder (Government Representative in the Senate): Honourable colleagues, I rise today to pay tribute to Dr. Asma Jahangir, who died last weekend and whose funeral was yesterday in Lahore, Pakistan.

Dr. Jahangir was an activist and lawyer who spent her career defending human rights, particularly those of women, religious minorities and children. She helped found the Human Rights Commission of Pakistan as well as the Women's Action Forum, which campaigned against legislation discriminating against women.

Dr. Jahangir served with the international community between 1998 and 2004 as the UN special rapporteur on extrajudicial killings, and between 2004 and 2010, as the UN special representative on freedom of religion and belief. She was elected President of the Pakistan Supreme Court Bar Association and was a recipient of the UN's 2010 UNESCO/Bilbao prize for the promotion of culture and human rights. She was also nominated for a Nobel Peace Prize in 2005.

She was awarded an honorary doctorate from Queen's University in Kingston and was the first recipient of Canada's John Diefenbaker Defender of Human Rights and Freedom Award in 2010 for her more than 30 years of work defending human rights and religious freedom.

Over her career, Dr. Jahangir was jailed, placed under house arrest and, on more than one occasion, beaten by forces desperate to silence her. She never wavered.

Omar Waraich, Deputy South Asia Director of Amnesty International, wrote upon hearing of her death:

Asma Jahangir was the bravest person I knew. She fearlessly stood up to dictators, thugs, misogynists. She was never daunted by the attacks that came her way. She never wavered from her principles.

The Supreme Court Bar Association of Pakistan said in their statement that Ms. Jahangir was "not only a jewel of the legal fraternity of Pakistan but . . . She was the greatest and devoted supporter of Constitution . . . Her voice raised for the women's rights, child abuse and women's protection change the course of society rights in Pakistan."

Nobel Peace Prize winner and honorary Canadian Malala Yousafzai called Dr. Jahangir a "saviour of democracy and human rights."

The world is less bright having lost one of its shining stars.

AD HOC COMMITTEE OF CANADIAN WOMEN ON THE CONSTITUTION

Hon. Marilou McPhedran: Honourable senators, on Valentine's Day, today, I rise to pay tribute to love in its best and many forms; love that transcends differences among, for example, gender, race and culture — differences that haters and trolls focus on to divide us.

Thirty-seven years ago on this day over in the West Block, the largest social mobilization Canada has ever seen on women's rights was launched with spontaneous ad hoc leadership that saw over 1,300 women from across Canada arrive on Parliament Hill, unwelcome and unfunded by the government of the day, insisting on their right of political participation in shaping the Constitution of Canada.

I was a co-chair of the Ad Hoc Conference of Canadian Women on the Constitution on February 14, 1981, the source of the "made in Canada" equal rights amendment, section 28 that pairs with section 15 of our Charter on equality rights, much like the ERA that was just defeated this week in the Senate of Virginia.

With those 1,300 women, about 10 men were present. Some were allies, some were foes. On this Valentine's Day, I pay tribute to the grassroots activism that flowed into the corridors of power here on Parliament Hill.

And today I pay tribute to men who love women through respect, courtesy, listening and gender alliance. In particular, I want to pay tribute to a fine man who died last week who demonstrated his love of women and his love of justice for women in just these ways.

Last week's obituary for Alan Thomas Pearson described him best:

. . . beloved husband and dearest friend of Chaviva Hosek for 37 years. Born Birmingham, England, April 27, 1939 . . . Son of a sheet metal worker, an industrial designer by temperament, meticulous user of language and logic, honest to a fault with an overdeveloped sense of fairness, snappy dresser, obsessive and strategic shopper.

Alan Pearson lived his life honestly, compassionately and on his terms. And, I would add, he lived his life in a gender alliance that meant he loved women in ways entirely consistent with the equality rights in our Constitution.

[Translation]

The Canadian Charter of Rights and Freedoms sections on equality exist because of the 1,300 women who came to Parliament Hill in Ottawa in 1981 to pressure the government at what was a turning point for our nation.

[English]

In closing, please join me in paying tribute to the power of love to defeat hate, misogyny and racism. Thank you, *meegwetch*.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of family members of Colten Boushie: Debbie Baptiste, Alvin Baptiste and Jade Tootosis Brown, as well as Sheldon Wuttunnee, Eleanore Sunchild, Anthony Linklater and Chris Murphy. They are the guests of the Honourable Senator Pate.

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

Hon. Senators: Hear, hear!

• (1410)

HUMAN RIGHTS IN IRAN

Hon. Linda Frum: Honourable senators, I rise today to stand in solidarity with the tens of thousands of brave Iranian protesters who took to the streets in January to demand an end to their corrupt and depraved government. I stand to remember the victims of those protests, the over two dozen innocents who were murdered for denouncing a hated regime that has spent billions of dollars on war and terror abroad while allowing its own citizens to suffer at home.

This past weekend we learned of yet another victim of the regime, Professor Kavous Seyed-Emami, a Canadian-Iranian professor of sociology who was murdered inside Evin prison. Iranian officials have stated that Professor Seyed-Emami took his own life after confessing to participating in an espionage ring. This is hardly credible. He was a Canadian citizen, and his case deserves the full attention of our government.

I ask the Government of Canada to do everything in its power to call for an independent inquiry and confirm the cause of the professor's death. The murder of Professor Seyed-Emami and the actions of the Iranian regime's response to January's grassroots protest have demonstrated once again why the Canadian government must suspend its negotiations for diplomatic re-engagement with Iran until the Iranian leadership is replaced with a government that puts the needs of its people first. Courageous Iranian protesters who continue to mobilize and agitate are champions for justice and liberty. Those of us who have the ability to speak fearlessly and freely must support them.

In honour of Professor Kavous Seyed-Emami and all the victims of the Iranian regime, I ask all honourable senators to join me in speaking out on behalf of human rights and justice in Iran.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Natalie Charles and Sophia Brown Ramsay. They are the guests of the Honourable Senator Bernard.

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

Hon. Senators: Hear, hear!

THE LATE WILLIAM WITHROW, C.M., O.ONT.

Hon. Patricia Bovey: Honourable senators, it is with real sadness that I rise today to pay tribute to a giant of Canada's cultural and visual arts community, William Withrow, C.M., O. Ont., C.D., F.C.M.A., F.O.C.A. who passed away at age 91 on January 7, 2018.

Director of the Art Gallery of Ontario from 1961 until his retirement in 1991, his accomplishments were many — his legacy positively affecting audiences, artists and galleries across Canada and abroad. He had a keen eye, an incisive and artistic mind, good business sense, fundraising and diplomatic skills, and was a wise and generous mentor to many. I knew him for decades, having worked at the AGO as a student and with him again later as a colleague in the Canadian Art Museum Directors Organization.

A stickler for museological ethics, he was a leader in raising Canada's museological standards, approaching every issue with dedication and questioning, never drawing conclusions until he had assessed every angle from multiple perspectives. Bill's advice was sought by all governments on myriad issues, from exhibition fees to copyright, insurance for international exhibitions to tax provisions for donors. His voice was integral in establishing Canada's Cultural Property Export and Import Act, the Canada Travelling Exhibitions Indemnification Program, the 1998 Copyright Act and more.

Bill was co-chair with Clément Richard of the 1986 Withrow Richard National Museums Task Force, commissioned by the Mulroney government and spearheaded by Minister Marcel Masse. I was a member. Through our intense hearings across the country, we addressed the structure of Canada's national museums and funding of regional museums and galleries. Bill ensured our reach included the full range of Canada's collecting galleries and museums.

Our key recommendation was to dismantle the National Museums of Canada Corporation and create the Museums Act, establishing Canada's national museums as Crown corporations, each with its own board of trustees. Accepting this recommendation, the government passed the Museums Act in 1990. Bill was thrilled.

Bill's keen sense of humour was evident to us all. We went as the Canadian Art Museum Directors Organization to Alert Bay's U'Mista Cultural Centre to see the repatriated coppers. It was memorable. It was pouring. We were all drenched. I at least had a West Coast raincoat, pants and jacket on, but my photo shows Bill and his wife, June, soaked in their raincoats, huddled under their umbrella inside the local laundromat, laughing, with water pouring down both inside and out.

Colleagues, this giant will be missed. On behalf of us all, I extend condolences to his wife. Their seventieth wedding anniversary would have been two weeks after his passing. Thank you, Bill, for your can-do, empowering attitude, your wit, wisdom, perseverance and genuine bonhomie.

[Translation]

**THE HONOURABLE NANCY GREENE RAINE,
O.C., O.B.C., O.D.**

**CONGRATULATIONS ON FIFTIETH ANNIVERSARY OF
OLYMPIC GOLD MEDAL**

Hon. Percy Mockler: Honourable senators, in the spirit of Valentine's Day, my statement will highlight the achievements of one of our own here in the Senate. Canadians will never forget her.

[English]

As we are cheering on our Canadian athletes, for the next few days competing in Pyeongchang in South Korea, I want to recognize one of our very own great Olympians. Honourable senators, no doubt in my mind, she never, ever thought 50 years ago she would be sitting in the Senate of Canada.

Picture this: February 14, 1968, Grenoble in France, 50 years ago today. Let us picture it again. We are at the foot of the French Alps and we are waiting for this Canadian athlete who is about to come down the hill in the giant slalom competition at the 1968 Winter Olympics in Grenoble, France. Imagine this: The pressure is immense on our Canadian athlete called Nancy Greene.

Nancy did not let her fans down. She attacked the giant slalom course with everything she had and crossed the line with a gold medal.

Hon. Senators: Hear, hear!

Senator Mockler: Honourable senators, her victory, by a margin of 2.68 seconds, is still considered one of the most decisive wins in Canada's Olympic history.

Hon. Senators: Hear, hear!

Senator Mockler: Her success at the 1968 Winter Olympics made a lasting impression on our country and in Canadian sports history. In 1999, Nancy Greene was voted Canada's female athlete of the century.

Hon. Senators: Hear, hear!

[Senator Bovey]

Senator Mockler: As I conclude, today, as we are celebrating with her the fiftieth anniversary of her winning the gold medal for Canada, on behalf of all senators, I want to congratulate Nancy. Not only did you win your gold medal 50 years ago, but you have also won the hearts of all senators and Canadians. You are a real Canadian icon. Congratulations, Nancy Greene Raine.

Hon. Senators: Hear, hear!

[Translation]

ROUTINE PROCEEDINGS

INFORMATION COMMISSIONER

CERTIFICATE OF NOMINATION AND BIOGRAPHICAL NOTES TABLED

Hon. Peter Harder (Government Representative in the Senate): Honourable senators, I have the honour to table, in both official languages, the certificate of nomination and biographical notes of Caroline Maynard, the nominee for the position of Information Commissioner.

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 Monday, February 26, 2018, at 5:00 p.m.;

That committees of the Senate scheduled to meet on that day be authorized to sit even though the Senate may then be sitting and that rule 12-18(1) be suspended in relation thereto; and

That rule 3-3(1) be suspended on that day.

• (1420)

CANADA ELECTIONS ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-50, An Act to amend the Canada Elections Act (political financing).

(Bill read first time.)

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

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

[English]

THE SENATE

NOTICE OF MOTION TO INSTRUCT SENATE ADMINISTRATION TO REMOVE THE WEBSITE OF THE HONOURABLE LYNN BEYAK FROM ANY SENATE SERVER AND CEASE SUPPORT OF ANY RELATED WEBSITE UNTIL THE PROCESS OF THE SENATE ETHICS OFFICER'S INQUIRY IS DISPOSED OF

Hon. Kim Pate: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Senate Administration be instructed to remove the website of the Honourable Senator Beyak from any Senate server and cease to support any website for the senator until the process undertaken by the Senate Ethics Officer following a request to conduct an inquiry under the *Ethics and Conflict of Interest Code for Senators* in relation to the content of Senator Beyak's website and her obligations under the Code is finally disposed of, either by the tabling of the Senate Ethics Officer's preliminary determination letter or inquiry report, by a report of the Standing Committee on Ethics and Conflict of Interest for Senators, or by a decision of the Senate respecting the matter.

AGRICULTURE AND FORESTRY

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY HOW THE VALUE-ADDED FOOD SECTOR CAN BE MORE COMPETITIVE IN GLOBAL MARKETS

Hon. Diane F. Griffin: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Agriculture and Forestry be authorized to conduct a study on how the value-added food sector can be more competitive in global markets. More specifically, the Committee shall be authorized to examine:

- (a) the comparative advantage of the Canadian value-added food sector;
- (b) the food sector's capacity to generate value-added products in order to meet global consumer demand while remaining competitive in the Canadian market;
- (c) the support that should be provided to industry stakeholders in such areas as technology, marketing, environmental certification and intellectual property; and

That the committee submit its final report to the Senate no later than December 21, 2018, and that the committee retain all powers necessary to publicize its findings until 180 days after the tabling of the final report.

QUESTION PERIOD

NATIONAL REVENUE

OFFSHORE TAX HAVENS—CANNABIS INDUSTRY

Hon. Larry W. Smith (Leader of the Opposition): I'm so excited after hearing Senator Mockler's speech about Senator Greene, because I was that 17-year-old on CTV watching as Nancy Greene came down the hill, and I was jumping up and down. Little did I know that I would be eating MARS Bars within six months after that.

As my wife of 45 years would say, that's a very corny joke. Sorry about that.

My question is for the government leader in the Senate. I need your help on this, Senator Harder.

There have been many articles in the Quebec media in the recent weeks regarding the use of offshore tax havens in funding Canadian marijuana companies. The government leader may remember our colleagues Senator Boisvenu and Senator Joyal questioned the ministers on this issue when they appeared before the Committee of the Whole last week.

This morning, *La Presse* reported that a Canadian hedge fund managed from the Cayman Islands has invested over a quarter of a billion dollars — \$277 million to be exact — in Canadian medical marijuana companies in just the last few months. Our country does not have a tax treaty with the Cayman Islands, and the identity of the individuals investing these massive sums of money remains a secret.

How can the government continue to claim that the legalization of marijuana will eliminate the involvement of organized crime when the government does not know who is investing in these companies through offshore tax havens?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question. With respect to his preamble, I can say he's not the only one going downhill in the last 50 years. And it's not the only corny one.

The question the honourable senator has raised is an important and serious one. I want to point out that under the proposed regulations, security clearances will be mandatory for individuals who occupy key positions in any organization, as well as background checks on significant investors who hold more than 25 per cent of a cannabis company.

In addition, the Minister of Finance recently reached an agreement with his provincial and territorial counterparts to ensure we know who owns which corporations, which will help

to prevent Canadians or international companies from facilitating tax evasion, money laundering or other criminal activities. Ultimately, the government is of the view that this will reduce the risk that organized crime will infiltrate the cannabis industry.

I should add that the experience of the medical cannabis regulations, which were first brought into force in 2013, has led and inspired the decisions the government is taking with respect to recreational cannabis. This, of course, is an issue which we will all have to be vigilant on and one I hope we can explore in committee to provide the assurances to the Senate that appropriate enforcement is in place.

Senator Smith: Thank you very much for the answer. As a follow-up, we're talking about the advancement of the legalization of marijuana, but organized crime has the ability to anonymously invest in marijuana companies in Canada through these offshore tax havens. The government has been warned repeatedly about this, and I appreciate that you explained what the government will hopefully do.

Even the Acting Commissioner of the Royal Canadian Mounted Police recently told our Standing Senate Committee on Legal and Constitutional Affairs that the legalization of marijuana will not eliminate organized crime's presence in the cannabis market, yet the government stands by its talking points.

What does the government intend to do? Could the leader add a few thoughts to what he said earlier about providing transparency in this area? What will the government do to ensure that the names of those who invest in marijuana companies in Canada are made public to protect public interest?

Senator Harder: Again, I want to thank the honourable senator for his question, but the first point I would make is that what is absolutely clear is that aside from the medical marijuana industry today, the marijuana industry is in the hands of organized crime. By definition, it is illegal. With the bill that is before the Senate, the government is seeking to ensure not only that we have a legal regime of growing and distribution of recreational marijuana, but also that the regulations attendant to it ensure that regime does not become the playground of criminal elements. That is the objective of the regulations as I have described them, but this is going to be a challenge as we pull back the force of organized crime in this sector.

INTERNATIONAL TRADE

BOMBARDIER INC.—SALE OF AIRCRAFT TO IRAN

Hon. Linda Frum: Leader, last year the Liberal government chose to provide Bombardier with bailout funding to the tune of nearly \$400 million. In January, the Canadian Press reported that Bombardier is in the process of completing its first commercial aircraft sale to an aviation company in Iran. This sale would include significant financing provided by Bombardier.

• (1430)

If this media report is true, does this mean that Canadian taxpayer money assisted with the financing of the sale of aircraft to an Iranian company?

[Senator Harder]

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for the question. I'll have to take it on notice to ensure that I am presenting the facts as they are true.

Senator Frum: I look forward to receiving a follow-up answer. I would ask you, when you follow up, to consider that given that the IRGC has previously used passenger planes for nefarious purposes, such as transporting weapons. In the event that the subsidy is there, is the government not alarmed by the potential that Bombardier planes can be used and abused for similar purposes?

Senator Harder: I, of course, will add that to my inquiry. I want to assure all honourable senators that the Government of Canada shares the concern of the honourable senator with respect to human rights violations anywhere but especially, as reported and we know to be true, in Iran, and it takes every opportunity to make that view known.

NATIONAL REVENUE

OFFSHORE TAX HAVENS

Hon. Percy E. Downe: Again, like others, my question is for Senator Harder. Part of the problem with overseas tax evasion, of course, is the issue of beneficial ownership. Jon Allen from Transparency International appeared before the Senate Banking Committee and indicated that you have to disclose more information to get a library card in Toronto than you do to set up a corporation.

There's a story in *The Guardian* newspaper — the U.K. *Guardian*, not the Charlottetown *Guardian* — today on offshore destinations. They quote a study done in 2013 indicating Canada as one of the easiest of 60 countries in which to set up an untraceable company. When is the government going to take action on beneficial ownership?

Hon. Peter Harder (Government Representative in the Senate): Again, I thank the honourable senator for his question. That in fact was the subject of discussion at the last federal-provincial-territorial ministers' meeting, and the agreement reached is the one I described. There's work to be done in this area, and the government is undertaking such.

Senator Downe: Well, this is always the same story, unfortunately, from the Government of Canada. This was agreed to in the 2014 G20 meeting that this was a problem. All the countries agreed to do it, including Canada. If you look at the record of other countries, the Brits were the first to act, followed by the Australians and most European countries. We are four years later, and Canada is still talking about it. This is a further indication of the ongoing problems with the Canada Revenue Agency and the government's problem getting results for Canadians.

Why do Canadian taxpayers, who pay their fair share of taxes, have to put up with a system where individuals and corporations can hide their money, move it offshore, and not contribute to our country? Why does the government allow that to continue year after year?

Senator Harder: I would remind the honourable senator that in a federation like Canada, where there is shared jurisdiction, the Government of Canada must, by definition, work through our territorial and provincial counterparts, and that is what the minister is doing.

FAMILIES, CHILDREN AND SOCIAL DEVELOPMENT

CANADA SUMMER JOBS PROGRAM

Hon. Donald Neil Plett: Leader, I would like to follow up on the exchange you had last week with Senator Doyle. In your response to the senator, you made repeated reference to abortion rights or reproductive rights.

Leader, no such right exists in Canada. Rights are enshrined, protected and, in fact, explicit. The Prime Minister's opinion on something does not constitute a right.

Surely, leader, you are aware of the history on the abortion law in Canada, and what we have is the absence of a law. Currently, abortion is not a criminal offence in Canada, but that does not make abortion a right.

Coincidentally, freedom of religion and freedom of expression are enshrined rights in Canada, both of which have been violated by the requirement that we're speaking about.

In the fifth example you cited to Senator Doyle, you spoke about an organization whose primary activities focus on removing or actively undermining women's existing reproductive rights being ineligible.

Canadians, leader, are divided on this. Based on the latest data, only half of Canadians agree with unrestricted access to abortion, which is what our current lack of a law permits. The other half either supports some restrictions or is entirely opposed to abortion.

Given the divisiveness of the issue, why did the government not also prohibit pro-choice organizations from applying for the grant? Why would the government choose sides on a matter that is so deeply personal and emotional for all Canadians?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question. The answer to that is quite simple. The government has one side, and that is the side of pro-choice.

Senator Plett: Leader, Canadians and organizations are being discriminated against solely based on the fact that they have a difference of opinion than that of the Liberal government on when life begins.

Do you believe that pro-life Canadians are backward-thinking and anti-women? What chartered right do you believe pro-life organizations are violating?

Senator Harder: Again, as the government has made clear, what is being dealt with in the summer job program is to provide the assurance that the core funding being given by the

Government of Canada is not to support activities which are in counterpoint to the views of the government and the policies and law of Canada.

[Translation]

OFFICIAL LANGUAGES

MINORITY LANGUAGE RIGHTS

Hon. Ghislain Maltais: My question is for the Government Representative in the Senate. The Conseil des écoles fransaskoises, the francophone school board in Saskatchewan, firmly believes that the current framework for federal funding for French-language schools in minority communities violates section 23 of the Canadian Charter of Rights and Freedoms, under which rights-holders are entitled to an education in a minority official language, where numbers warrant. What do we have to say about that?

[English]

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question. I will have to ensure that legal advice is sought so that the views of the government are consistent with the legal positions of the government on this matter.

[Translation]

Senator Maltais: The Standing Senate Committee on Official Languages will be holding meetings in other provinces for a few days this week and the next. The committee is asking that a provision be added to the Official Languages Act in order to define the government's role in minority language education.

The committee is also asking that mandatory consultations be held with the Conseil des écoles fransaskoises, since it has not yet been consulted. Despite what we have been told, the school board was not consulted in the context of the Roadmap for Canada's Official Languages. I think that, in a bilingual country like Canada, everyone in anglophone and francophone communities alike should have equal rights. I would like you to respond to this request. Thank you.

[English]

Senator Harder: I'm glad to have the answer to the question that was posed. Again, I will consult with the appropriate officials in the department concerned to ensure that the legal position of the Government of Canada is well known.

NATIONAL REVENUE

OFFSHORE TAX HAVENS—CANNABIS INDUSTRY

Hon. Serge Joyal: I would like to follow up on the question raised by Senator Downe and Senator Smith in relation to the offshore money invested in cannabis corporations in Canada now.

An article published in *La Presse* today revealed that more than \$250 million came from one single investor in the Cayman Islands to a variety of companies scattered all through Canada. In fact, it revealed that hidden money, with the capacity to shift the profit away without paying due taxes in Canada, is in the control of the market now.

• (1440)

I want to be very polite to you, Senator Harder, but I have difficulty reconciling that situation. You are hiding behind the provinces and territories to wait for the Government of Canada to take leadership on this. I mean, the Criminal Code is federal legislation. The Canada Revenue Agency is a federal body. They have ample capacity to come into this chamber and request changes or amendments to the Income Tax Act to be able to fight that.

I think that the government has to be very concerned about this because its credibility on working and supporting the middle class is challenged by its attitude of some kind of *laissez-faire* in relation to the offshore money and those who don't pay taxes in Canada while we go after everyone else. That is a very important credibility gap.

Could you reassure us that the government will take the bull by the horns and take the initiative to strengthen the Canadian legislation so that we are able, now, to tackle those major problems in the Canadian system of law?

Some Hon. Senators: Hear, hear!

Hon. Peter Harder (Government Representative in the Senate): I will do what I can do, and that is ensure that the views of the honourable senator and other senators who have commented on this are brought to the attention of the minister concerned. This is an issue that we had raised in the Committee of the Whole and ministers did express their commitment to dealing with this important issue. Parliamentary Secretary Blair specifically spoke to the issue as well.

I do want to assure the honourable senator that I will ensure that this exchange and others are brought to the attention of the ministers so that as we move forward there's a clear understanding of what action has been taken and what action will be taken.

Senator Joyal: Would the Government Representative accept that we amend Bill C-45 in part 3 in relation to the issuance of permits? Because that's where the government can intervene to block that loophole.

The health minister cannot close her eyes and think that everything is fine in paradise, because the loophole is there. The government has the control of the permits. That's where the government has to move to amend the conditions for which a permit to produce and sell marijuana in Canada lies.

Would the Government Representative commit to accepting an amendment unless the government comes with its own amendment to block that loophole?

Senator Harder: Well, senator, the minister's and the government's position on this piece of legislation, as with other pieces of legislation, is to ensure that the Senate deliberation of the legislation is timely. And if bills can be improved, the government has demonstrated a willingness to accept improvements to legislation that have come from this place.

I'd like to see us get to a point where we are actually in committee dealing with the bill beyond simply the principal discussion of second reading so that, should there be a consensus in the Senate to accept particular amendments, they can be brought forward. And if they garner majority support in this chamber, they will be sent to the other chamber for their consideration. That's how a bicameral system ought to work and I hope we can get to work.

PUBLIC SAFETY

RCMP VACANCIES

Hon. Pamela Wallin: I'm acutely aware, as is everyone in this chamber, that tensions are running high in my home province of Saskatchewan, which is precisely why I'm seeking assurances on an issue I have raised here in this chamber on at least two other occasions. I'm hoping that I will receive an undertaking to provide a written answer at your earliest possible opportunity.

In my province, officially, the RCMP has more than 12 per cent of its ranks unfilled and everyone knows that the actual number is much higher.

We have one of the highest rates of rural and property crime in the country. Front-line officers in rural Saskatchewan often patrol hundreds of square kilometres, often responding to calls alone and, in some cases, are not able to respond at all. In fact, there is actually no target response time for police calls in rural Saskatchewan.

There is frustration and fear for those living in isolated areas. These days, farms are now miles and miles apart. Farmers are told to use stronger locks or just call their insurance companies, as police are too understaffed to react.

Your written response to my last question was that a Protection and Response Team had been launched in Saskatchewan last October. This team, as we now know, is made up of folks recruited from the ranks of conservation officers and highway patrol members but also includes 120 from the RCMP and municipal police forces.

So my questions are: Has the RCMP complement been stood up? Has the staffing issue been rectified or improved? And are we any closer to being able to at least establish targets for response times in rural areas?

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for the question and her continued vigilance on this issue. I'll be pleased to bring it to the attention of the appropriate minister and ensure a written response.

[Translation]

CANADIAN HERITAGE

MINORITY LANGUAGE RIGHTS

Hon. Claude Carignan: My question is for the Government Representative in the Senate. Print media journalists are in Ottawa today to demand that the Trudeau government come up with an action plan to protect Canada's print media industry.

Mr. Leader, the solutions that could be implemented include some very simple ones that would come at no cost to the public purse, such as strengthening the Copyright Act and re-evaluating government ad spending to ensure it stops favouring American giants at the expense of Canadian companies. Some solutions could even make money, such as treating digital advertising the same as television advertising. This tax loophole costs the federal government an estimated \$700 million a year. What is Minister Joly waiting for to introduce an action plan that would protect Canada's print media?

[English]

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for his question, and I'll make inquiries of the minister to be able to answer that. I regret that he didn't forward this *La Presse* article to me as he did the other one, for which I was prepared.

[Translation]

Senator Carignan: *La Liberté* is the only French-language newspaper in Manitoba. The *Acadie Nouvelle* is probably the only French minority newspaper in the Maritimes. These two newspapers are on the brink of closure. Could the government leader inform Minister Joly that, first of all, these newspapers do exist, and also that they could go under unless she does something?

[English]

Senator Harder: I will certainly bring the concerns of the honourable senator to her attention, but she will be well aware of the quality and importance of this publication.

[Translation]

TRANSPORT

HIGH-SPEED RAIL

Hon. Leo Housakos: Honourable senators, my question is for the government leader. A few months ago, VIA Rail management submitted a project to build high-frequency rail in the Toronto-Ottawa-Montreal corridor. It is possible to carry out this project without a significant injection of public funds. Minister Garneau and the Trudeau government have been dragging their feet ever since, demanding study after study and refusing to commit. Senator Harder, what is the Trudeau government waiting for to green-light this incredibly important project?

[English]

Hon. Peter Harder (Government Representative in the Senate): I thank the honourable senator for the question and for his expertise on Via Rail, a board that he at one point sat on, which lends him that expertise on the work of the corporation.

With regard to the question he's asking, I'm going to have to make inquiries of the minister.

[Translation]

Senator Housakos: Senator Harder, there is a broad consensus that VIA Rail's HFT should go all the way to Quebec City. Will the Trudeau government respond to the requests made by the regions of Quebec and will it ensure that these regions will be served by the HFT?

[English]

Senator Harder: Again, I will add that to my inquiry.

FAMILIES, CHILDREN AND SOCIAL DEVELOPMENT

FUNDING FOR LITERACY PROGRAMS

Hon. Elizabeth Marshall: Senator Harder, yesterday I attended a session by Employment and Social Development Canada on literacy that was very interesting and very informative. They informed us of a number of projects across the country to improve literacy.

I have spoken on literacy in Newfoundland and Labrador in this chamber a couple of times. As you know, we have the lowest literacy rate of all the provinces and we have the highest unemployment rate by far, but I couldn't get a reasonable explanation as to why there aren't any literacy projects being funded in Newfoundland and Labrador.

Could you undertake to find out what the problem is and why we're not getting our fair share?

• (1450)

Hon. Peter Harder (Government Representative in the Senate): I will ensure that the problem isn't literacy itself. What I do hope is that the briefing for all Atlantic senators was helpful for understanding the program and the transformation that program has been undergoing over the last number of years, from project funding to core funding. I will bring to the attention of the ministers responsible the question that you pose.

I would also have to reference that there has been an investment in literacy — I believe \$1.8 billion — by this government.

In answering the question, given the technology available for literacy programming and computerization — although I'm not saying this is the only response — it is often computer programs or Web-based programs that aren't based in a particular region that are actually used by the region. That is one of the challenges,

of course, in Atlantic Canada, where the Web-based programs are often based outside of the region. But I will absolutely undertake to seek an answer from the responsible ministry.

ORDERS OF THE DAY

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

BILL TO AMEND—THIRD READING—MOTION IN AMENDMENT—
DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Wetston, seconded by the Honourable Senator Cormier, for the third reading of 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, as amended.

And on the motion in amendment of the Honourable Senator Massicotte, seconded by the Honourable Senator Christmas:

That Bill C-25, as amended, be not now read a third time, but that it be further amended in clause 24,

(a) on page 9, by adding the following after line 31:

“**172.01** A prescribed corporation shall establish numerical goals, such as percentages, for the representation of persons in each *designated group*, as defined by regulation, among its directors and among *members of senior management*, as defined by regulation, and shall establish a timetable for attaining those goals, within one year after the day on which this section comes into force.”; and

(b) on page 10,

(i) by adding the following after line 2:

“(1.1) The directors shall also place before the shareholders, at every annual meeting beginning one year after the day on which the numerical goals referred to in section 172.01 are established and until the corporation has attained those goals, a report on the progress made by the corporation in the previous year in terms of attaining those goals.”;

(ii) by replacing lines 3 to 5 (as replaced by the decision of the Senate on February 7, 2018) with the following:

“(2) The corporation shall provide the information referred to in subsections (1) and (1.1) to each shareholder, except to a share-”, and

(iii) by replacing lines 7 to 9 (as replaced by the decision of the Senate on February 7, 2018) with the following:

“they do not want to receive that information, by sending the information along with the notice referred to in subsection 135(1) or by making the information available along with a proxy circular referred to in subsection 150(1).

(3) The corporation shall concurrently send the information referred to in subsections (1) and (1.1) to the Director in the form that the Director fixes and the Director shall file it.

(4) The Director shall, within three months after receiving it, provide the Minister with the information filed under subsection (3).

(5) The Minister shall prepare and cause to be laid before each House of Parliament, on any of the first 15 days on which that House is sitting after October 31, an annual report for the previous year containing an aggregate of the data from the information received under subsection (4). The Minister shall also, after it is tabled, make the report available to the public.”.

Hon. Serge Joyal: Honourable senators, I rise today to speak in support of the amendment introduced by Senator Massicotte, which aims to promote the participation of women in the corporations that fall under federal jurisdiction, especially, of course, those that are active in the stock market generally.

I have three points to submit to your attention. First, I want to outline for you the context in which this bill and Senator Massicotte’s proposal take place. In other words, this bill is not in a vacuum. It doesn’t fall from heaven. It is a bill that will have an impact in a reality, and that reality is the right of women to participate in Canadian society on an equal footing with men.

This is a fundamental value of Canada. It is a right enshrined in section 28 of the Canadian Charter of Rights and Freedoms, and it is a reality with which we have wrestled, in the last 50 years, since the report of the Royal Commission on the Status of Women that was tabled in 1970.

My first point is there. In other words, where are we in Canada as far as women are concerned, in Canadian society and, essentially, in the labour market? That’s my first point.

My second point would be to present to you the substance of the amendment, what it is and what it is not, because there has been confusion around floating quotas, floating obligations under penalty. All kinds of misconceptions have been spread around concerning the substance of the amendment.

Finally, because I can't resist it, I will address the speech made by Senator Harder, the Government Representative in the chamber, last Thursday, when he invited us to shut our eyes, close our ears, keep our mouths zipped, vote for the bill as is and ship it to the other place.

Honourable senators, that's not my view of the Senate's role, and I will explain to you why I think we are not only totally justified in adopting this amendment but have a duty to adopt it.

Those are my three points. I'll come back to the first one. Where does this bill fit in the reality of women in Canada these days? I mean today, not four years ago, in 2014, or three years ago, in 2015. The reality of women in Canada in those days was brought back in front of me, as we say in French, *en pleine face*, directly in my face, Saturday morning, when I read *The Globe and Mail*. I don't know why Senator Eggleton is leaving when I'll be quoting *The Globe and Mail*.

Hon. Art Eggleton: I don't have any shares.

Senator Joyal: Page 2 of *The Globe and Mail* has an article by Elizabeth Renzetti titled "How the system failed #MeToo survivors and protected the abusers."

Her opening remarks are the following:

There is one common trait to the stories of abuse in the #MeToo era, namely, that this is not merely an excavation of bad behaviour by individual men; rather, it's evidence of the systems that promote and protect them. It is power seeking to shield and perpetuate itself, over the rights of women to self-determination.

Think about this. We are in the middle of the #MeToo movement that is shaking the foundation of political parties. You know what's going on in the other place. We know what's going on in some provinces. I don't need to go into detail about it, but this is the reality that we live in now.

I continue my reading from the pile of newspapers, sipping my coffee Saturday morning, and I fell on those two editions of *MacLean's* magazine. I don't know if you've seen it, published last weekend. What does it say? It says that there's one issue for which men will pay \$8.81, and there is another issue for women, the yellow one, for which women pay \$6.99. And the caption at the bottom of it is:

The prices reflect the shocking 26 per cent pay equity gap that still exists in Canada.

So when you go through the articles inside, you find out that overall, in Canada, the earnings gap between men and women who work is about 31 per cent according to the most recent Statistics Canada income numbers. So they seem like pretty reliable figures, Statistics Canada.

Then the article goes on to say that since 1990, when pay equity directives were adopted, progress has been at a snail's pace, and that represents the biggest barrier to gender equality. With no effective enforcement system, pay gaps are seldom rectified.

And the article goes on. I invite you to read it and to frame those two covers in your office. It will remind you daily of the reality in which we live in this country. Put it on your fridge. Put it on the favourite door of your dwelling, but make sure that it stays under your eyes because this is the reality in Canada.

This reality, honourable senators, is pretty mind-boggling for Canadians because we live in an affluent country and because we have all of those nice landscapes — and I'm looking at Senator Mockler — those nice views of the ocean on the East Coast and on the West Coast and of the Rockies and because we have all those riches produced by the extraction of oil and gas in Western Canada — because we have to recognize that that's where the government money comes from at the provincial and federal levels. Because we live in a dream country, we thought that, in fact, in the last 50 years women had made it, and Canada is an exemplary country. Honourable senators, I think the dreaming has to face reality.

The Conference Board of Canada, not exactly a leftist group, gave a C to Canada for the efforts to close the salary gap. And listen to this: Canada ranked thirteenth out of 16 countries with comparable economic conditions. Thirteen out of 16 is not far from the tail, as my former professor would have told me. So we're not really that exemplary in relation to the economic status of women.

If you think that the Canadian statistics might be questionable, I put my hand on the World Economic Forum's *Global Gender Gap Report 2017*. You know, 2017 was almost 60 days ago. Do you know what the World Economic Forum is? It's Davos. Do you know what Davos is? The Prime Minister was there on January 23. The group of the 20 most developed countries — the G7, India, Brazil, prime ministers, presidents — 300 of the most affluent and influential people. Just to register costs \$50,000 if you want to be an invitee next year.

• (1500)

The Global Gender Gap Report of the World Economic Forum is not exactly a leftist or feminist report. It's not where women dominate the discourse or, as the government would say, "the conversation." This is the force of the free market at its best.

What does the Global Gender Gap Report of Davos state? I will read some of it for you. Canada ranks 35th in gender equality out of 144 countries. We're not among the first 20 most developed countries there. Listen to this one: At this rate or speed, it would take 158 years for Canada to reach parity. So if you think the invisible hand of the market will do it for you and that through the normal seasons, finally equality will happen by a stroke of the magic touch, that's not reality. At this pace, it will take 150 years to reach parity. That is food for thought.

This is, in my opinion, an important element, because the mindset of businesspeople in Canada has been well illustrated in a recent report by Deloitte, one of the most reliable accounting firms in Canada. Deloitte in a report dated from November, less than three months ago, came to this conclusion:

. . . actions taken by many firms to date in the areas of diversity and inclusion have delivered more optics than outcomes.

More smoke and mirrors, in other words. After decades of progress, the country has been stuck in neutral, struggling to advance traditionally under-represented groups, such as women, visible minorities, especially at the most senior levels of organizations.

In other words, there's no movement. That's the reality. That's Deloitte's conclusion after interviewing — and I'll give it to you:

For the past several months we have had candid conversations with more than 25 business leaders and experts at the forefront of inclusion.

In other words, the most important, influential people came to the conclusion that nothing has moved.

So what do we do? Do we just cross our arms and vote on the bill as it is now, which is essentially to maintain the policy of “comply or explain”? It means “you do it if you want, and if you don't do it, you say that you were unable to do it and this is it.” Do you think that, with that kind of policy, we will make any kind of real progress on filling the gap on the economic front for the mere participation of the other half of the workforce who can contribute to the prosperity of Canada?

When you are looking to the countries where that “comply or explain” policy has been implemented — the United Kingdom, say — and we always like to look to the United Kingdom. Senator Pratte mentioned some yesterday. Listen to this:

Of the new recruits to U.K. boards in 2016, 29 per cent were women, down from 32 per cent in 2014 and 36 per cent in 2012.

These are figures according to the report just published. It is the first time that the rate of improvement in gender diversity has declined in the U.K. since the beginning of collecting data in 2004. The Global Gender Gap Report that I read to you from Davos concluded exactly the same thing last year. We more or less drove into a hole. The speed stopped; it slowed down.

So if you think maintaining two hands on the wheel, as the bill provides, we know there will be a slowdown. There's no guarantee that women will make it. You can close your eyes, you can expect, you can light a candle and you can buy roses, but it won't give you results.

Honourable senators, this is the conclusion, not from me but from Ms. Maureen Jenson, the Chair and CEO of the Ontario Securities Commission, not exactly a feminist by nature. She is the CEO of the Ontario Securities Commission. You know this world of business; some of you might have some acquaintances over there. Listen to what she says:

. . . of 521 board seats that became open this year, only 76 were filled by women. That means eighty-five per cent of the time the seat was filled by a man.

Listen to this one:

Without an improvement here, we will never reach 30-per-cent female board representation.

May I have five minutes more?

The Hon. the Speaker *pro tempore*: I was so busy concentrating on what you were saying.

Is it agreed, honourable senators, for Senator Joyal to have five more minutes?

Hon. Senators: Agreed.

Senator Joyal: Ms. Jenson also said that only 9 per cent of companies have internal targets for women on their boards, with a mere 2 per cent having targets for women in executive positions. That is 9 and 2 in 100 per cent of companies. Do you think that we will really make it, honourable senators? I think it's abusing oneself to think there will be progress if we maintain the exact regulations as they are now.

I want to draw your attention to what the Prime Minister stated in Davos on January 23. The Davos meeting this year brought focus to the importance of women. I will read the Prime Minister's words:

So I'd like to focus on a fundamental shift that every leader in this room can act on immediately.

The Prime Minister continued later:

In Canada, like all over the world, much of the economic and labour force growth we've experienced over the last many decades is because of women entering into — and changing — the workforce.

He continues:

Companies should have a formal policy on gender diversity, and make the recruitment of women candidates a priority.

The Prime Minister further said that:

As corporate leaders, consider a gender-balanced board, or gender-balanced project teams. Anytime we're looking for a new hire, we should be identifying women candidates at a rate equal to men. In Canada, when we look to fill appointments, we work to recruit people who reflect the true diversity of our country.

Now listen to this:

And we should report on the efforts that we have made in an open and transparent manner.

Honourable senators, this is the gist of the amendment that has been brought forward by Senator Massicotte; namely, to leave the board to decide for themselves what kind of target they want to have for themselves and not quotas imposed by the government. I insist on that because there have been many questions by my good friend the Honourable Senator Marshall who is very preoccupied with quotas, but this is not a quota. This is to let the company boards to decide for themselves the objectives that they want to define for themselves with the specific time determined by themselves and to report that to their shareholders. Is this really a tyrannical obligation or responsibility put on people?

• (1510)

Honourable senators, I'll be frank with you. I would support legislation for quotas, as the Premier of Ontario stated last year. But that is not what is in this bill. This is not about quotas. It's about the freedom of any board to determine how many objectives they want to serve on the variety of diversity; it's about determining by themselves the length of time needed to reach it in their own mind and to report that to their shareholders. This is not the end of the world given where we are in relation to the situation of women in the labour market, which I described in my opening remarks.

In the last minute I have left, I want to reply to some comments made respectfully by Senator Harder, who asked us to close our eyes, vote on this bill, send it to the other place and that is it. I want to remind honourable senators of the statement made by Prime Minister Trudeau before he was prime minister in 2014. Prime Minister Trudeau said the following:

If the Senate serves a purpose at all, it is to act as a check on the extraordinary power of the prime minister and his office, especially in a majority government.

[Translation]

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

[English]

Are honourable senators agreeable to five more minutes?

Hon. Senators: Agreed.

Senator Joyal: Thank you. This is an important issue because what kind of independence do we want to have in this chamber? I see some senators. Senator Plett, am I —

Senator Plett: Well, it's too late now; go ahead, senator.

Senator Joyal: As you can see, I'm mindful of your reaction when I speak, senator. Thank you, senator. I appreciate that.

This is a fundamental question because it's in the minds of all of us these days. What is the independence of this institution and what is the role of this institution in relation to legislation?

Honourable senators, I want to leave with you this statement made by former Justice Willard Estey in 2000. He was testifying in front of the Standing Senate Committee on Aboriginal Peoples

in 2000 on a bill and he was answering a question put by Senator Andreychuk, one of my close colleagues. He was answering about the role of the Senate. I want to draw the attention of Senator Wetston to this because I'm sure he knows Justice Willard Estey, who was Chief Justice of the high court of Ontario, 10 years a justice in the Supreme Court of Canada and a very learned and respected justice. Listen to what he told the members of the committee in 2000 about our role:

You have a duty. I thought pretty hard about this before coming here. The Senate has a senior duty to perform. It has to perfect the process of legislation. That duty must clearly entail, on occasion, an amendment or a refusal or an automatic approval. All three are within your power. Not only are they within your power, they are within your duty. You have to scrutinize this thing and see what is good and bad and purify it. That is why you are here. The second house invariably around the world is set up as a brake on the first level of legislation, but the executive branch tags along all the way up the ladder.

So this is what we have to do. We have to look at the legislation. We have to put it in the context of Canadian society as a whole. We have to be mindful of the rights of citizens involved in the legislation because this legislation aims directly at women, and the outcome of this legislation is in the hands of men. Do you want me to repeat that: The outcome of this legislation is in the hands of men on the future of the stand that women will have on corporate boards. I quote:

It is up to men to consent to the addition of more women on the boards and on management teams.

Think about it. Minority rights are in the hands of the majority that holds the power. This amendment is to ensure there is a minimum of opportunity for women to move slowly in the economic field at the level where decisions are taken that involve all of us and most Canadians.

Honourable senators, we cannot bring ourselves to live in a world where half of humanity is treated differently from the other. Tonight, I suggest that you go back home, you put that on the side of your bed and you think about it before we vote on Bill C-25. You must determine if you are comfortable that what we're doing here is part of the effort we must make, as a country and as a society, to reach that respectful dignity and capacity of women to assume their fair share of what the economic prosperity of this country is. Thank you, honourable senators.

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

Hon. Frances Lankin: Yes, I do have a question. Thank you.

The Hon. the Speaker *pro tempore*: Would you like five more minutes, Senator Joyal?

Senator Plett: No.

Senator Joyal: As long as the chamber agrees.

Senator Lankin: No questions?

The Hon. the Speaker *pro tempore*: No questions. I'm sorry.

[Translation]

Hon. Diane Bellemare (Legislative Deputy to the Government Representative in the Senate): It is with humility that I rise to speak after Senator Joyal, who is very eloquent and passionate. Honourable senators, let me take this opportunity to explain why I am voting against Senator Massicotte's proposed amendment.

As you probably know, I am absolutely in favour of gender equality and diversity on boards of directors and senior management boards. That is not the issue.

For those who believe that Bill C-25 will not achieve much, rest assured — or concerned — that the proposed amendment will not have much more impact than the bill itself. Personally, I side with those who believe that this bill will be beneficial. However, Senator Massicotte's amendment — which I appreciate — will not improve the bill, in my opinion. On the contrary, it could cause problems.

Let me explain. The provisions in Bill C-25 would promote increased diversity within boards of directors. The bill addresses diversity in terms of designated groups as defined in the Employment Equity Act. Under Bill C-25 — I am repeating myself, but it is important to understand this — all corporations subject to the Canada Business Corporations Act, the Canada Cooperatives Act, and the Canada Not-for-profit Corporations Act, will have to disclose their diversity policy, namely the number or percentage of women, indigenous Canadians, persons with disabilities, and members of visible minorities. Those businesses will have to state their targets in numbers or in percentages or explain why they have none in place.

The bill also requires that a review take place five years following the coming into force of the act in order to determine whether more effective measures need to be introduced.

• (1520)

With regard to women's participation on corporate boards — a notion that I think is important to understand — Bill C-25 provides for the adoption of a regulation identical to that negotiated in 2014 among the provinces in order to harmonize provincial rules. In other words, Bill C-25 is proposing to do something, with regard to women, that was already negotiated in 2014 among a number of provincial stakeholders. I could give you a list of those stakeholders, but they included employer associations, university women's associations, and the Coalition for Real Equity, an organization some senators are very familiar with.

To get back to what I was saying, the approach known as "comply or explain" is what prompted a review of the regulations in a number of provinces in 2014. Many stakeholders from various backgrounds took part in the review, including, as I said earlier, employer associations as well as women's associations.

[Senator Lankin]

The government's approach to promoting women's participation on corporate boards involves adopting a regulation similar to the provincial one. However, the government is taking this one step further than the provinces, since the federal legislation also makes room for diversity, thereby complying with the explicit request made by the Coalition for Real Equity in 2014 to provincial governments. We actually know a few people who have participated in that coalition, including Senator Omidvar.

Senator Massicotte's amendment seeks to enshrine the rules in the act itself using a more binding formula. The prevailing regulation in the other provinces is more neutral, and I will provide a comparison.

Item 11 currently in force in the provinces of Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, the Northwest Territories, Nova Scotia, Nunavut, Quebec, Saskatchewan and Yukon with respect to women and all designated members reads as follows:

[English]

11. Policies Regarding the Representation of Women on the Board

[Translation]

The federal regulation will state the following:

[English]

Policies Regarding the Representation of Members of Regulated Groups

(a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women [and members of designated groups] directors. If the issuer has not adopted such a policy, disclose why it has not done so.

(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:

(i) a short summary of its objectives and key provisions,

(ii) the measures taken to ensure that the policy has been effectively implemented,

(iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and

(iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.

12: Consideration of the Representation of Women [and members of designated groups] in the Director Identification and Selection Process

This means:

— Disclose whether and, if so, how the board or nominating committee considers the level of representation of women [and members of designated groups] on the board in

identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women [and members of designated groups] on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.

13. Consideration Given to the Representation of Women [and members of designated groups] in Executive Officer Appointments . . .

— Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.

14. Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions . . .

(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women [and members in the designated groups] on the issuer's board or an executive officer positions of the issuer by a specific date.

(b) Disclose whether the issuer has adopted a target regarding women in the issuer [or designated groups] on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.

(c) Disclose whether the issuer has adopted a target regarding women [and designated groups] in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.

(d) If the issuer has adopted a target referred to in either (b) or (c), disclose:

(i) the target, and

(ii) the annual and cumulative progress of the issuer in achieving the target.

15. Number of Women [and members of designated groups] on the Board and in Executive Officer Positions . . .

It says:

(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women [or members of designated groups].

(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women [or members of designated groups].

[Translation]

As you can see, honourable senators, the regulation is quite sophisticated and is the same as that of the provinces I mentioned. In other words, the provinces adopted this regulation for women, and Bill C-25 proposes to adopt the same position while adding diversity and the issue of designated groups. By passing Bill C-25, it will be easy to lobby the provinces to tell them that only one word needs to be changed in their regulation to make it include diversity.

The bill provides for a five-year implementation period, after which we can assess whether significant progress was made and how to achieve the targets.

I believe that Senator Massicotte's initiative is very commendable. However, it is essential to include in the legislation the requirement to set targets. In the regulation, this is a very real obligation for corporations, even if it's not formulated in the same way. In my view, adopting this amendment would be a way of interfering in the regulatory process of a bill. I do not believe that we have all the parameters needed to make strategic decisions about this, as far as the bill before us is concerned.

[English]

In other words, we have a bill that wants to promote diversity, and it is enshrined in a regulation that already exists in all the provinces and that has been negotiated, in a sense, or worked on with all the stakeholders. For this reason, I think we have to give this bill a chance, which goes much further than the regulation in the provinces and can have some effect at some time.

[Translation]

I think that this amendment, if passed, will result in less flexibility in the processes intended for advancing women and designated groups and for improving equality in the corporate governance framework. I am sure you will agree, Senator Massicotte, that simply asking companies to disclose their goals is a way of compelling them to set such goals. Your amendment states, "A prescribed corporation shall establish . . ." Establish goals. Proposing or setting goals has an impact, and Senator Pratte talked about that psychological or moral impact yesterday.

• (1530)

I believe that the Senate can play an important role in improving bills. In fact, some senators met with Minister Bains in December because they had concerns about this bill. As a result of that meeting, the minister made the necessary regulatory changes, which can be found on his website. These changes were published in order to better clarify the concept of diversity and explain the regulatory approach taken. This is clear and set out in black and white on the website.

In my opinion, the Senate accomplished its mission. The Senate will have an impact on Bill C-25 in the current context.

I also believe that, if we want to make improvements, we need to propose our own amendments, not bills. We must follow the process. Take, for example, term limits. We did not talk about them, but they are another way of improving diversity on boards of directors.

Thank you.

[English]

The Hon. the Speaker: I have to inform the chamber that Senator Bellemare's time has expired. Are you asking for five minutes to answer questions, Senator Bellemare?

[Translation]

Senator Bellemare: Yes please, Mr. Speaker.

[English]

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

Some Hon. Senators: Agreed.

[Translation]

Hon. Paul J. Massicotte: Would Senator Bellemare accept a question?

I appreciate your comments. We are also pleased that the definition of "diversity" includes not just women but also minorities.

[English]

The Hon. the Speaker: Senator Massicotte, I'm sorry to interrupt you, but I've been told that when I asked the chamber if there was agreement for five minutes, there was a no. So I will ask one more time and perk up my ears this time.

Is it agreed, honourable senators?

Some Hon. Senators: Agreed.

An Hon. Senator: No.

The Hon. the Speaker: Honourable senators, I hear a no. I am sorry, but we cannot proceed to questions.

(On motion of Senator Martin, debate adjourned.)

CANNABIS BILL

BILL TO AMEND—SECOND READING—DEBATE

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.

[Senator Bellemare]

Hon. Yuen Pau Woo: Honourable senators, I would like to join the debate on Bill C-45, An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts.

I thank colleagues who have spoken before me. Many of the issues on my mind have already been raised. There is no need for repetition. Instead, I want to build on what has already been said and to offer specific suggestions for more detailed investigation at the committee stage of our deliberation.

Let me say, first of all, that I agree with the stated intention of the bill, which is to reduce the harm that is currently being done to consumers of cannabis, especially youth, because of the uncontrolled nature of cannabis production and sales in this country. As an illegal product, cannabis sales operate in the shadows and are run by criminal networks. The shadows are much larger than many of us would like to admit, and much as we like, shadows cannot be wished away. The decades-long "war on drugs" is simply not working.

Colleagues, I also agree with the stated public health approach that we heard ministers talk about when they attended Committee of the Whole in the Senate last week. I have no doubt that they are sincere in taking this approach but I worry that the rhetoric is not consistent with the actual measures in the bill and that, rhetoric notwithstanding, our youth are hearing — or choosing to hear — a different message.

Advocates of legalization argue that the incidence of cannabis use will not increase after the product becomes lawful. They cite the examples of Colorado, Oregon and Washington State, which may or may not be relevant for Canada as a whole.

I am not as confident as they are. The fact is that Canada already has one of the highest rates of cannabis use among youth, so there must be something unique about the social and political context of Canada — or parts of Canada — that has resulted in such high rates. We cannot be sure that legalization will not compound the particularities of the Canadian context, leading to even higher use of marijuana among youth.

For some, higher rates of Cannabis use are not worrying. After all, it has been said often that marijuana is less harmful than alcohol. If one can "drink responsibly," one should also be able to "toke responsibly," or so the argument goes. Hence, having more Canadians consume cannabis is not seen to be a problem as long as they consume it responsibly.

Perhaps, but for all the rhetoric of responsible drinking, the reality is that alcohol consumption is responsible for a wide range of health problems and costs. According to the Canadian Centre on Substance Use and Addiction, alcohol consumption accounts for \$7.1 billion in lost productivity owing to illness and premature death; \$3.3 billion in direct health care costs; and \$3.1 billion in enforcement costs. In truth, we don't know what the long-term health effects of cannabis consumption are and what their costs will amount to.

They may be relatively benign, or not. Legalization will allow for proper research to be conducted on this topic. In the meantime, we are operating on a certain amount of faith and, perhaps, even wishful thinking.

What we do know is that cannabis and, in particular the compound tetrahydrocannabinol, or THC, is harmful to the developing brain at least up to the age of 25. THC is a neurotoxin and it damages neurons needed to develop vital brain circuits. THC affects the body's endocannabinoid system, which is critically important for organ and brain development. Studies have shown that long-term use of cannabis results in abnormal brain structure and function in areas rich in endocannabinoid receptors. There is even evidence that THC-induced changes in brain structure and function may be inherited by subsequent generations through a process known as epigenetic modification.

Colleagues, given what we know about the serious harm to developing brains up to age 25, why is the age limit for cannabis consumption set at 18 or, in the case of some provinces, at age 19?

The chosen age limit in the bill is based on a belief that it would be counterproductive to set a higher age limit. There are at least two variants to this argument that I am aware of and there may be others. The first is that having an age restriction on cannabis that is different from the age limit for alcohol sends a confusing message to young people. Alcohol, by the way, is more dangerous, more harmful than cannabis. Why is it okay to consume alcohol at age 18 or 19 but not be able to consume cannabis at that same age, cannabis being a less harmful product? Well, to my mind, having a different age limit would, in fact, be an excellent way to underscore the special dangers posed by cannabis to the developing brains of young people. There is nothing magical about the so-called "age of maturity," especially not if the brain is not mature until age 25. Having a different age limit for alcohol and cannabis is not inconsistent. On the contrary, it is entirely consistent with a science-based approach to regulation and can be used as a valuable teaching moment for parents, educators and peers alike.

• (1540)

The second argument I have heard against a higher age limit is more persuasive. It is that a higher age limit would not prevent youth between the age of 18 and, say, 21, 23 or 25 from consuming cannabis, and that they will be forced to buy their weed from the black market, with all of the risks associated with unregulated products and the involvement of criminal networks. This is, of course, not unlike the problem of underage consumption of alcoholic, albeit at a lower age limit. How do underage youth get access to alcohol? Well, mostly through adults who allow alcohol products to inadvertently fall into the hands of young people or who purchase alcohol on behalf of young people in contravention of the law.

I am not an expert on underage consumption of alcohol, but my impression is that the product they get access to is via legal distribution channels rather than the black market. Can we not expect that a similar practice will take place in the case of underage consumption of cannabis? It will be illegal, of course, for an adult to purchase cannabis for an underage person, as it

would be for an adult to purchase alcohol for an underage person. But, if this happens, we can at least have consolation that the product is obtained from a regulated source.

I am not naive, though. Underage consumers will also source product from the black market, and they will face the same risks that are present today, including very high THC content, contaminated products, interaction with criminal actors, and, of course, the stigma of a criminal record if they are caught and convicted.

How much of a role the black market plays in supplying underage consumers will depend partly on how widely available legal marijuana is and the price at which it is sold. This is why we should be paying as much attention to the retail distribution and licensing plans of provinces as we are to the question of age limits. Colleagues, the uncomfortable logic of legalization is that the policy will only succeed in significantly reducing the black market if legal, regulated marijuana is widely available across the country and sold at a competitive price.

The big unknown is what would in fact happen if the age limit for cannabis consumption is raised to 21, 23 or even 25.

Let me paint a scenario. Young people under the age limit would, without doubt, still access cannabis, as they are doing today, but I suspect that many of them would be getting legal, regulated product, albeit illegally. To the extent that this group would otherwise be getting product from illegal, unregulated sources, would this alternative, the scenario I've painted, not be considered a form of harm reduction?

Now, there would still be those who buy from the black market and put themselves at higher risk of consuming contaminated product. We cannot be blasé about this group. But the danger in this scenario is, in fact, what we currently experience under the status quo.

There's an upside, though, to a higher age limit, in my imagination, and the upside is that we will be sending a very clear signal about the special risks of marijuana consumption on the developing brain up to the age of 25. If, by raising the limit, we delay the first use of cannabis to the mid-twenties, and if, in so doing, we end up protecting the brains of thousands of young people, is that not a good policy trade-off?

I may be speaking glibly since I am not an expert on the factors driving youth consumption of marijuana. I'm also aware that my scenario is based on many assumptions around economic incentives, criminal network behaviour, and, most important, youth psychology. It's been a long time since I was in that age bracket, and I am humble enough to recognize that I may be thinking very differently from the way youth look at cannabis use and cannabis consumption.

Again, these are topics I have limited knowledge of, but I am compelled to ask the question: Should we not consider more of a precautionary approach to this sweeping legislation before us?

Which brings me back to my original point: If marijuana is widely available, and the age limit is set at 18 or 19, the temptation will be high for youth up to age 25 to take up the drug, and they will be doing so at some risk to their developing

brains. Hence, I am respectfully requesting that the Social Affairs Committee, which I hope will soon receive this bill for in-depth study, apply an extra dose of unimpaired second thought to the question of the age limit.

I understand the bill's logic of not setting an age limit that is too high, and I may well be persuaded that this approach is the best one when all factors are considered. But we owe it to our youth and to the generations to follow to revisit this question, especially when we have heard the clear and unequivocal advice of physician groups calling for an age limit between 21 and 25. They have given us an evidence-based approach to policy using their lens of medical science. This is not the only lens with which to formulate policy, but it is a very important one.

I look forward to witness testimony on these questions during the committee hearings.

Hon. Carolyn Stewart Olsen: Would the honourable senator take a question?

Senator Woo: Yes, with pleasure.

Senator Stewart Olsen: I'm interested in the statistic that has been widely disseminated that marijuana smoking among youth is the highest in the world.

Where did that come from? I'm not sure. I see the stories in the news today about the government hiring a lot of inspectors, and they're going to check sewage for the amount of marijuana use. I just don't know where we get that statistic.

Senator Woo: Thank you, honourable senator. I'm afraid I can't give you the source. We've all heard the statistics. There are others in this chamber who know it. I'm taking it as a given and, as you heard from my speech, using it as one of the reasons why we should be cautious about the idea that legalization will not lead to greater use.

There's something happening in our society that has led to the higher use. I'm not judging it, but it is perhaps particular to Canada. If legalization will increase the incidence of cannabis use, that should be something that weighs in our thinking on this piece of legislation.

Hon. Leo Housakos: Colleagues, I think we have to be very careful when we get certain statistics sourced from a government that needs to support a narrative when they're trying to put legislation through. Because the reality of the matter is the source of that information seems to always be government ministers, and some senators perpetuate that information.

Going back to your speech in regard to how youth acquire alcohol, your speech was very astute, and I share the same concerns as you do about the effect this legislation is going to

have on young people and, of course, on the future of our country, because young people are the essence of our future.

I've worked with a number of organizations, both in Montreal and across the country, that deal with teenage youth alcoholism. You're absolutely right, one of the ways that young people acquire alcohol is they get irresponsible adults to buy it for them.

There's a huge percentage of addicted teenagers in regard to alcoholism that get access to alcohol from home from the liquor cabinet, and they develop that addiction at the age of 13, 14, 15, or they get it from their grandpa's liquor cabinet.

• (1550)

This piece of legislation, as we all know, is allowing for, I think, four marijuana plants per household in the country. You can put a lock on a liquor cabinet and you can do all kinds of things, but you can't obviously guarantee that you're going to have parents in this country being responsible for how their youth develop.

You pointed out in your speech, and I think all of us share this sense, that there are tremendous ramifications from people smoking marijuana, especially teenagers, until the age of 25. Doesn't this chamber find it completely irresponsible to have kids as young as 10, 12 or 14 having access to marijuana plants? They likely also have access to a grinder, because if a parent is growing marijuana at home, they probably know how to grind it, roll it and take it.

That's my question.

Senator Woo: Thank you, Senator Housakos. I hope the chamber doesn't object to me answering the previous question by saying we have a statistic from UNICEF, as it turns out, on the high incidence of Canadian youth consuming cannabis.

I agree with much of what you said. The slant I would give is slightly different, though. Many of the challenges we face currently with youth consumption of cannabis are real problems today. They're happening now. And they are a function of the criminalization and the fact that the drug market is illegal. This forces young people who have some desire to experiment and want to take drugs by going to the black market and getting the product. That is unquestionably more dangerous than what would be available through a regulated market.

I think I share many of your concerns. What I'm trying to focus on here is whether it's possible for us to think of a higher age limit that would, in effect, be harm reducing for young people who are going to consume cannabis one way or the other but who can at least get it from safer sources. At the same time, it's for us as a society to send a message to all Canadians that consumption of cannabis below the age of 25 is particularly hazardous to your brain.

Senator Housakos: If I understand you correctly, you would be open to suggesting to some of our colleagues, especially when they study this further, to upping the age limit. I was wondering if you could give us that number.

I've heard a number of medical experts and providers of health care — Senator Oh hosted an excellent panel in the Senate a couple of weeks ago, and a number of our colleagues attended it — and I think every single doctor said that up until the age of 25, the brain is developing. Would that be the magic number?

Senator Woo: The event was terrific, by the way. What I was surprised to hear from the experts was that they wanted the age limit to stay. These particular specialists, from the Paediatric Chairs of Canada, I think I even asked, "Why would you not have a higher age limit?" The CMA has said 21, the College of Family Physicians of Canada has said 25 and others have said something in between, but the paediatric experts wanted it to stay at the same age limit as alcohol because they thought there would be a contradiction.

I addressed that issue in my speech. Yes, there is a contradiction, but at the same time, it's a teaching moment. Possibly it will tell people, "Look, you really need to pay attention."

At the end of my speech, I think I said it clearly enough, but let me make it very crystal clear. I am very persuaded by the evidence from medical science that the brain is developing to age 25, and we should do everything we can to prevent cannabis from getting into the hands of youth below the age of 25. But I don't understand enough about economic incentives, child psychology and the way black markets work to say that an age limit of 21, 23 or 25 will be more harm reducing than an age limit of 19.

That's why I'm asking the committee to pay fresh attention to this question, to look at medical science, which has given us a clear lens in the issue, and to ask experts about addiction reduction, anti-addiction campaigns, the way black markets work and the way pricing formulas work to see if raising the age limit is the best harm-reduction strategy. I would keep an open mind on this question.

Hon. David Richards: Senator Woo, I grew up in a place where marijuana wasn't separate from drinking. It was a companion drug to drinking, and you did one and you did the other. One exacerbated the other.

I don't think legalization is going to really cure that. As a matter of fact, most of the people arguing for this bill started off by arguing against it, by saying what trouble marijuana and hashish are but then saying that because of that, we need to legalize it. I'm not really sure if that's going to do it.

Most of the people I know who toked also drank. It became not only a gateway drug but a combination drug that caused all kinds of problems. I don't think legalizing it is really going to solve that. That is my question.

Senator Woo: I think that was more of a statement, but I'll just say that those who drink alcohol and smoke marijuana as a companion will do so, with or without legalization. It's widely available. We have to ask if that is preferable to a situation where a legal product with controlled amounts of THC and presumably no pesticides or other contaminants would be a better option.

Again, it's about harm reduction. It's hard to wrap your mind around harm reduction, because you start with the premise of harm. There is harm. But there is harm out there, and we cannot be blasé about the fact that people are being harmed by getting drugs, with or without alcohol, from the black market and being hurt. If there is a way we can reduce that harm through legalization, I believe that's a right approach.

Senator Richards: I have a supplementary question. The reason I say it's a companion drug to booze, which it is, and causes all kinds of problems on the road and off, and at work, is because if you legalize it — and I'm sure the bill is going to go through — it makes it much more available to those who use it as a companion drug.

That's the essence of my question and my problem. How do you alleviate that dual addiction or dual use with kids, many of whom are going to be underage? They start drinking underage, so they're going to start using marijuana underage. It's going to be given to them.

Senator Woo: I'm not sure that those who are already inclined to consume alcohol together or in companion with marijuana will find it any less difficult to get without legalization. They can access the product quite easily already, I believe, and they are accessing product that is typically much more dangerous because of high THC, contaminates and so on. Again, it's all about harm reduction. At the very least, if they have to do this, I would much rather they get a product that is controlled and so they understand quite clearly what they are getting.

The way you think about alcohol and cannabis is an important one that I tried to discuss in my speech. That is, the belief among youth that the risks of consuming alcohol and cannabis at the age of 18, 19, 20 or 21 are more or less the same, if we set the age limit at the same age. That stands to reason. In fact, youth are being told that alcohol is actually more dangerous than cannabis, so by implication, cannabis is safer. If we do have the age limit of 18 and 19, I fear that we do send a message that is contrary to what doctors are telling us about the developing brain and the need to protect the developing brain until the age of 25.

The Hon. the Speaker: Honourable senators, it's now four o'clock. Senator Woo will have the balance of his time tomorrow, if he wishes to take it, to answer more questions. I will inform senators that I do have a list of senators who wish to ask questions. Again, it will be entirely up to Senator Woo whether he wishes to take the balance of his time tomorrow.

(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.)

