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THE HILL TIMES

THIRTY-FIFTH YEAR, NO. 2120

CANADA'S POLITICS AND GOVERNMENT NEWSPAPER

WEDNESDAY, MAY 1, 2024 \$5.00

NEWS

Liberal housing strategy will need 'both carrots and sticks' to break through affordable housing stalemate: observers

The Liberals should abandon the idea of public lands as a revenue resource and go-all in on affordability, says CHRA's Ray Sullivan.

BY STUART BENSON

The federal government's plan to build thousands of homes on surplus and underutilized federal land shows that the Liberals have finally "gotten the message" that housing will be a make-or-break issue in the upcoming election, and a healthy willingness to

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Housing, Infrastructure, and Communities Minister Sean Fraser speaks to reporters as he arrives for the Liberal caucus meeting in West Block on April 17. *The Hill Times* photograph by Andrew Meade

NEWS

Canada's pledged forced labour bill should follow U.S. example banning Xinjiang imports, says Uyghur advocate

BY NEIL MOSS

As the federal government renews a budget pledge to bring forward legislation to stamp out forced labour from Canada's supply chains and toughen its ban on imports made through servitude, a Uyghur advocate hopes the government will model its bill after the American approach.

Continued on page 26

NEWS

Public hearings provided 'no great revelations' for upcoming foreign interference report, says national security expert Wesley Wark

BY STUART BENSON

With the deadline for the interim report from the foreign interference inquiry days away, national security and

intelligence expert Wesley Wark says he doesn't expect any new revelations beyond what has already been revealed in the public hearings, document disclosures, or Special Rapporteur David

Johnston's own report released last May.

Johnston's report was released on May 23, 2023, weeks before vacating the role to which he was appointed by Prime Min-

ister Justin Trudeau (Papineau, Que.) the previous March to investigate the issue of foreign interference in Canadian elections. Justice Marie-Josée Hogue will release her own report on May 3,

following the completion of the first stage of the Public Inquiry into Foreign Interference's public hearings.

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Christina Leadlay

Heard On The Hill

Parliamentary basketball tourney is a slam dunk for Christie Lake Kids



Liberal MP Yasir Naqvi, front left, NDP MP Lindsay Mathyssen, Liberal MP Terry Beech, and NDP MP Peter Julian were among the participants at the 2023 Christie Lake Kids Parliamentary Basketball Tournament. *Christie Lake Kids photograph by Amy MacDonald*

Politicians, staffers, media, and their volunteer mercenaries will lace up their sneakers and don their best jerseys as they face off at the Parliamentary Basketball Tournament on May 5 in Ottawa.

This annual event, now in its 12th year, is a fundraiser for Christie Lake Kids in support of their after-school sports programs for low-income children and youth.

The tourney “got started when two Hill staffers—one of whom volunteered for the Christie Lake Kids after-school programs—decided to make their regular Conservative pick-up team into a tournament, and the rest is history,” Natalie Benson, director of fundraising and communications for Christie Lake Kids, told *Heard on the Hill* last week.

Benson says while attendance changes every year, the political party team captains—Liberal MP Yasir Naqvi, Conservative MP Karen Vecchio, and NDP MP Peter Julian—have been playing “for many years and they are helping to recruit other MPs.” She also gives props to *Toronto Star* reporter Alex Ballingall for captaining the media team, which is currently recruiting members.

Last year’s event, which was presented by CN, raised nearly \$30,000. Benson explained that the funds raised help Christie Lake Kids pay for things like facilities, snacks, jerseys, and other equipment for their after-school sport programs in eight communities across Ottawa.

“Our organization supports approximately 600 children and youth with no-cost programming throughout the year in both the city and at Christie Lake Camp,” she said.

You don’t need to be the next Shai Gilgeous-Alexander to take part in the May 5 tournament. “No experience is required, but

it is surprising to see the level of expertise that some of the MPs, staffers, and media team have,” said Benson. “Last year for the first time a team of our senior basketball youth played in the tournament, and it was a spectacular feat of athleticism.”

The Christie Lake Kids Parliamentary Basketball Tournament will take place May 5 from 1-6 p.m. at Ottawa’s Adult High School, 300 Rochester St. Learn more at christielakekids.com.

Former senator to receive Japanese honour

The Embassy of Japan announced on April 29 that three Canadians will be bestowed with the gold and silver star levels of Japan’s 149-year-old Order of the Rising Sun.

Former senator Marie-Paule Charette-Poulin will receive the combined gold and silver star for her contributions “to strengthening bilateral relations and promoting parliamentary exchanges between Japan and Canada,”



Former senator Marie-Paule Charette-Poulin is one of three Canadians receiving Japan’s Order of the Rising Sun. *The Hill Times photograph by Sam Garcia*

according to a press release. Charette-Poulin is a former co-chair of Canada-Japan Interparliamentary Group. A former PMO staffer and past Liberal Party president, she was a senator from 1995 until 2015.

Another gold and silver star recipient is **Thomas d’Aquino**, a self-described entrepreneur, policy innovator, author, educator, and former president of the Canadian Council of Chief Executives. D’Aquino is being recognized for “strengthening Japan-Canada relations in the economic field,” reads the embassy’s message.

Additionally, the former president of the Ottawa Japanese Community Association, **Sachiko Okuda**, will receive the silver rays of the distinguished Order for her work in improving the social status of Japanese Canadians in Canada, and promoting bilateral friendship. Okuda’s parents were among the thousands of Japanese-Canadians interned in British Columbia during the Second World War.

Polish Embassy has lots to celebrate

In other embassy news, Polish Ambassador **Witold Dzielski** will be on Parliament Hill on May 2 for a flag-raising in honour of three events, accompanied by Liberal MPs **Peter Fonseca** and **Irek Kusmierczyk**.

Not only is May 2 the day that Poles celebrate their constitution and their national flag, this year marks the first-ever Polish Heritage Month in Canada.

Fonseca was involved in the latter event, having sponsored motion M-75 to establish Polish Heritage Month which was unanimously adopted on Feb. 7 this year. Kusmierczyk is the cur-



Polish Ambassador Witold Dzielski. *The Hill Times photograph by Sam Garcia*

rent chair of the Canada-Poland Parliamentary Friendship Group. **John Tomczak**, president of the Polish-Canadian Congress, will also be on hand for the noon-hour flag-raising.

Dutch envoy to bid farewell at May 16 party



Dutch Ambassador Ines Coppoolse. *The Hill Times photograph by Sam Garcia*

And speaking of foreign missions, the Dutch Embassy is hosting a party on May 16 at 50 Sussex Dr.

According to the invitation, it’s a “King’s Day Reception,” the Netherlands’ national day honouring the current monarch, **Willem-Alexander**, who has been on the throne since 2013.

But it’s also a goodbye party for Dutch Ambassador **Ines Coppoolse** and her husband **Alexander Verbeek**, who will be leaving Ottawa after four years. The embassy confirmed to HOH last week that Coppoolse is heading to Oslo, Norway, for her next posting.

Judging from the ambassador’s online CV, the party could also triple-duty as an early birthday shindig, as Coppoolse’s birthday is May 21.

Updates on one Senator, an MP, and an ex-minister

There’s a handful of recent movements to report both on and off the Hill.

Ontario Senator **Toni Varone** joined the Independent Senators Group on April 18. The entrepreneur was appointed to the Red Chamber last December. The ISG’s membership now stands at 41.

Over in the Other Place, Liberal Nova Scotia MP **Darren Fisher** was tapped by the prime minis-

ter to join the National Security and Intelligence Committee of Parliamentarians on April 19. The non-partisan group, created in 2017, has a mandate to review national security and intelligence activities carried out across the Government of Canada, including by the Communications Security Establishment, the Canadian Security Intelligence Service, and the RCMP. Chaired by Liberal MP **David McGuinty**, NSICOP currently features three Senators, two Conservative MPs, two Liberals (including Fisher), and one MP each from the Bloc Québécois and the NDP.

And former Liberal cabinet minister **David Lametti** has joined the Institute for Research on Public Policy’s board of directors, the think tank announced on April 25. Lametti, now counsel at Fasken Martineau DuMoulin in Montreal, recently took part in an IRPP panel discussion in Toronto on “Resilient Institutions: Learning from Canada’s COVID-19 Pandemic.” Of note, a byelection in Lametti’s former riding of LaSalle-Émard-Verdun, Que.,—which he’d held since 2015 until stepping down on Feb. 1 this year—has yet to be called.

Toronto Star reviews John Delacourt’s new novel



A release event for John Delacourt’s latest novel is happening at Octopus Books on May 9. *The Hill Times photograph by Andrew Meade*

Government relations consultant, former political staffer, and fiction author **John Delacourt** got a boost last week when *The Toronto Star* published a review of his fifth novel *The Black State*, which was released in April.

“If you’re looking for Jack Reacher and Jason Bourne, don’t look here—‘The Black State’ is a different kind of thriller,” reads the headline to **Brett Josef Grubisic**’s April 24 book review.

Delacourt’s sister, *Toronto Star* columnist **Susan Delacourt**, posted on Facebook: “So proud of my brother, the real writer in the family.”

John Delacourt will be taking part in an Ottawa-themed crime-thriller book release event alongside mystery writer **Brenda Chapman**, part of the #AuthorsOn-pus bound literary event series, at Octopus Books, 116 Third Ave., on May 9.

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Minister Holland

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Opinion

A structured, predictable, and transparent approach to seizing Russian state assets to help Ukraine

Bill S-278 would enable Canada to act decisively against state assets involved in grave breaches of international peace and security.

Independent Senator
Ratna Omidvar

Opinion



After much delay and misery in Ukraine, the United States has finally passed a \$61-billion Ukraine aid package. This much-needed aid will help Ukraine defend itself against Russian aggression that has been emboldened by delay in western support. It will also help repel the anticipated Russian offensive that is expected this summer.

Also passed—to less media coverage—was an American bill called the Rebuilding Economic Prosperity and Opportunity for Ukrainians Act, or the REPO for Ukrainians Act. This bill authorizes various actions related to the confiscation and disposition of Russian sovereign assets, which include funds and other property of Russia's central bank, direct investment fund, or ministry of finance. This is a huge win for



Last October, Independent Senator Ratna Omidvar tabled Bill S-278, which brings the mechanism of confiscation into accordance with international law as outlined by the World Refugee and Migration Council. *The Hill Times* photograph by Andrew Meade

campaigners south of the border who have been advocating to hold Russia accountable by making them pay for their crimes.

Canada now needs to follow suit. Last fall, I tabled Bill S-278, An Act to amend the Special Economic Measures Act (SEMA) (disposal of foreign state assets). SEMA already allows the confiscation of Russian state assets for the compensation of victims. Bill S-278 would simply bring the mechanism of confiscation into accordance with international law as outlined by the World Refugee and Migration Council. It would

not undermine the importance of due process for individual or non-state entities, but would enable us to act decisively against state assets involved in grave breaches of international peace and security.

The war in Ukraine has inflicted severe economic damage estimated by the World Bank at \$486-billion, with Ukraine requiring substantial financial aid monthly. Amidst this devastation, the international community, led by a United Nations resolution, has recognized that Russia should owe reparations. However, the likelihood of compliance by Rus-

sia is a mirage, given that Russia consistently denies any wrongdoing in Ukraine. The approximately \$300-billion of Russian state assets frozen globally underscore the scale of potential resources available for reparations and rebuilding efforts.

Budget 2024 outlines Canada's current position on using Russian state assets to rebuild Ukraine, and to hold Russia accountable for its unjustifiable full-scale invasion of a sovereign state. It confirms Canada's position, in line with those of international law specialists that "under the circumstances, there is a lawful basis to repurposing these assets." However, it recognizes the importance of working with G7 partners to find a mutually acceptable solution. It goes on to emphasize proposals to use the Russian assets as collateral rather than going after the principle and seizing the assets.

As the government is working with partners to find solutions, it needs to be prepared for any possible path forward. Parliament needs to fast track Bill S-278, or the government needs to include their own version in the Budget Implementation Act (BIA) this spring. By including it in the BIA it can be ready to move, if that is the consensus achieved by western allies.

Some allies and bankers have expressed concern about going after the principle of state assets

because of its possible effects on the dollar or the euro and potential asset flight out of western jurisdictions.

Prominent scholars around the world have challenged these ideas, but they still persist in risk adverse jurisdictions. Using wind-fall profits and or collateralizing the frozen assets are laudable ideas, but they would not provide the funding needed to fully rebuild Ukraine, leaving the cost to the taxpayers of western nations or saddling Ukraine with debt.

To make the seizure of assets more palatable we need to "de-risk" the proposal so that allies can come on side. We can do this by creating a structured, transparent, and predictable process for seizing assets. An escalating disclosure of the assets to be seized would be calendared. Therefore, not the entire amount at one fell swoop, but the entire amount squarely in our target. This must be made public, so everyone is aware, including Russia.

“

To make the seizure of assets more palatable we need to 'de-risk' the proposal so that allies can come on side.

This approach would adhere to international law, ensuring our actions are justifiable and principled, not arbitrary. This approach would help stabilize the market and other economic fears, as predictability allows bankers and other nations to plan effectively, minimizing economic shocks.

Scheduled disclosures about asset seizures also serve as a clear warning, systematically conveying to Russia the consequences of its continued aggression in Ukraine. This not only gives them insight into the escalating costs of their actions but also provides a window for them to withdraw from Ukraine or face more consequences.

In essence, a predictable and transparent asset seizure strategy not only strengthens our position, but also upholds the values of legality and fairness, crucial in maintaining the international order and supporting Ukraine effectively.

I urge our government and all of Ukraine's allies to support this practical approach, ensuring that it becomes a tool for justice and a beacon of hope for those who have suffered at the hands of Russian aggression.

Ratna Omidvar is an Independent Senator from Ontario.
The Hill Times



Foreign Minister Mélanie Joly has regularly announced a series of sanctions on Russian assets since 2022. *The Hill Times* photograph by Andrew Meade



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Opinion

Waiting for justice: why you need to know Métis residential school survivors of Île-à-la-Crosse

Every single public administrator and elected official could choose to acknowledge these survivors and properly compensate them. But they have not.

Merelda Fiddler-Potter

Opinion



It is undeniable that the release of the Truth and Reconciliation Commission of Canada's (TRC) final report in 2015 marked a historic point in our country's history. Finally, we learned the truth about what happened to generations of Indigenous children who attended residential schools.

Since the TRC's final report, many more truths have come to light, including the discovery of thousands of unmarked graves across the country. Much of this was noted in the report but is only now fully exposed and widely circulated.

Truth is an interesting thing: the more of it there is, the more tends to unfold as a result.

Let me share some history about the Île-à-la-Crosse Residential School.

The school was first opened in 1847 and run by the Oblates as a day school. Most children attending, according to the Oblates own records, were Métis. By 1860, the Sisters of Charity took over operations of the school and it was converted into a residential school. According to the TRC final report, the school was briefly funded by the federal government, but the funds were cut, and the school remained a provincial responsibility until it closed in the 1970s.

Let me be clear: the shift in government responsibility matters little when it comes to what occurred within its walls. The primary objective of Île-à-la-Crosse was to civilize the children and remove

any trace of Indigenous identity, whether they were First Nations or Métis. Like other residential schools, siblings were separated, children were known by numbers and not names, they were punished for speaking their languages, and they were sexually, physically, and emotionally abused.

So why haven't the survivors of Île-à-la-Crosse Residential School been compensated? Two reasons: jurisdiction and policy. The federal government has always claimed responsibility for First Nations people; Métis was always a provincial responsibility. In 2016, the Daniels Decision changed this, ruling the Métis a federal responsibility.

Those who attended provincially run and/or funded schools have been left out of compensation deals, and many more survivors who attended day schools only—but suffered the same abuses and atrocities—have had to fight for recognition and compensation.

These jurisdiction and policy issues stem from the 1876 Indian Act. Indians, as defined by the Crown and not the Indigenous Peoples of this land, were a feder-

al responsibility. No matter how many assimilation policies were enacted to try to civilize every First Nations, Inuit, and Métis person, the policy stated only "Indians" were a federal responsibility. The resulting interpretation of compensation is that the federal government should only compensate those who have attended their schools.

All of these decision are based on models of legal arguments, dollars saved if a lawsuit never happens or is lost, the dollars saved for excluding people, and the length of time it takes to win a case versus the number of likely remaining survivors left to be compensated.

It's series of graphs, charts, and policy briefs. What is missing is the real spirit and intent of truth and reconciliation, and empathy and humanity.

There are many truths we have had to learn, accept, and recognize. But, make no mistake, there are many more to come. Reconciliation, a true fulsome reconciliation, cannot happen without the full truth.

Île-à-la-Crosse is part of the truth of residential schools, and

the efforts of those who ran them to civilize and assimilate Métis children. It should not matter if the school was opened before the official residential school system started, that mainly Métis children filled it, or which level of government paid for its operation.

The truth is that more than six generations of Métis children across the northwest part of Saskatchewan and even further were forced to attend. The truth is they were abused, emotionally, physically, and sexually. The truth is that many of the issues we see—high suicide rates, loss of land, language, and culture—make up the legacy left for our people.

Every single public administrator and elected official could choose to acknowledge these survivors and properly compensate them. But they have not. And our survivors are aging. What is more likely is that this will drag out in the courts, and the last of our survivors will wait for compensation they will never see.

I encourage each and every person reading this to watch the short film *Waiting for Justice*. I encourage each and every one of you to learn the truth. Because when you know the truth, you know that everyone deserves to be treated justly; and that without recognizing these survivors, reconciliation will never be possible.

Dr. Merelda Fiddler-Potter is a Métis academic and journalist descended from both Red River and Batoche-area Métis. She is currently an assistant professor at the First Nations University of Canada.

The Hill Times

Comment

The call of Canadian decency

Though not a politician, Bob Cole arguably had a more potent pulpit than many a frontbencher in the House of Commons.

Tim Powers

Plain Speak



OTTAWA—Canada lost another generational icon this last week with the passing of legendary hockey broadcaster Bob Cole. Cole passed away on April 24 at the age of 90 in his beloved Newfoundland and Labrador. He had an incredible multi-decade run as the lead play-by-play man on *Hockey Night in Canada*.



In this time of division, disrespect, and disruption, our nation is poorer without Saturday nights with hockey broadcaster Bob Cole, writes Tim Powers. *Screenshot courtesy of Sportsnet*

Hockey Night in Canada was an institution when such things weren't reviled or perpetually under attack. He was the voice of the Saturday night program that brought most of the country together for three hours a week to cheer, jeer, and find common ground over a hockey game.

Despite what Ottawa Senators fans might have occasionally bemoaned, he brought an even-handed fairness to calling games—well, unless a Newfoundlander was playing, then they may have gotten a little more attention. Otherwise, Cole wasn't a homer and didn't pick sides. If anything,

he was aligned with the millions of viewers who were tuning in and wanted an honest, straightforward call of the game done with intelligence and passion.

Cole represented all that was good about Canada and Newfoundland and Labrador. He took pride in what he did. He worked hard, yet remained both humble and accessible. If you ever found yourself in an airport with him, you would have borne witness to his accessibility. Before selfies became a thing, he'd pose for a picture from a standalone camera and chat politely instead of scrolling through a phone.

He didn't make himself the centre of attention—he let the games he covered take top billing, and he was their magnificent soundtrack. He, like many others from his province, commuted to work weekly but spent as much time as he could at home—except, of course, during the hockey playoffs. He didn't need to be part of the fame and celebrity industry found daily in the bigger cities like Toronto and New York.

Upon hearing of his death, hockey's greatest player Wayne Gretzky referred to him in every interview as "Mr. Cole." Sidney Crosby—who's not too shabby on the ice, either—did the same. They spoke in reverential tones laden with respect. Because, as they said, Cole deserved that. He was a historical figure who, through his sublime story-telling skills, helped strengthen and inspire a nation. As he covered the exploits of our heroes, he became one himself, though never assumed he was.

He built deep, lasting friendships, and apparently always had time to mentor or encour-

age others as had been his good fortune during the early days of his journey. He would have grown up with the biblical guidance of do unto others as you would have them do unto you—and he did.

In this time of division, disrespect, and disruption, our nation is poorer to not to have Saturday nights with Cole anymore. Cole showed through his life and in his death the potency of decency, hard work, and respect.

Though not a politician, he arguably had a more potent pulpit than many a frontbencher in the House of Commons. For more than five decades, he used his place in Canada's most important sports institution to bring us together and tell our stories. He did it with class, and he did it because he felt it was his duty to do so—another honourable concept often forgotten.

Cole is gone. But let us not forget the characteristics and values that made him an enduring well-loved citizen. More of that DNA is needed in our public realm.

Tim Powers is chairman of Summa Strategies and managing director of Abacus Data. He is a former adviser to Conservative political leaders.

The Hill Times

POLICY BRIEFING

ENVIRONMENT

Publication date: Monday, May 8 | Advertising deadline: Thursday, May 2

Is Canada on track to meet its climate goals? Is there any action the federal government should be taking differently?

What are the challenges facing Indigenous communities in Canada related to the environment and climate change? How can the federal government help?

On April 2, 2024, conservation groups including the David Suzuki Foundation and Ecotrust Canada sent a letter to Environment Minister Steven Guilbeault and Energy Minister Jonathan Wilkinson urging Ottawa to ensure a review of greenhouse gas emissions from forestry addresses a growing international

concern that Canada is vastly underreporting logging emissions. What is the situation regarding emissions from Canada's forestry sector, and what should the federal government do?

What are some innovations poised to help Canada or the world in the fight against climate change? Is the federal government doing enough to support these innovations?

How is Canada being affected by extreme weather related to climate change? What action is required to help Canadians better contend with extreme weather events, such as flooding, heat domes and wildfires?

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Editorial

The Senate shouldn't stand in the way of its own progress

The Senate is an antiquated institution that remains—at its core—a place where an unelected group of Canadians (who must be property owners) can have a second opinion on laws approved by elected representatives.

But the country and the way it's governed is changing. That means its institutions should change, as well. There are some who continue to advocate for the Upper Chamber's wholesale abolition, but getting rid of built-in system of checks and balances is never the right call.

The past decade has seen a series of updates, improvements, and modernization efforts to the Senate, and that's made some people—especially those who've held a seat in the Chamber since before the reform ball got rolling—understandably apprehensive.

Although a strict reading of the party affiliations of Canadian prime ministers throughout history would have observers thinking differently, citizens of this country aren't actually staunchly divided along two political lines.

This is why the Senate's current growing pains are fascinating and frustrating in equal measure.

As *The Hill Times'* Samantha Wright Allen reported on April 24, the government's representative in the Senate has grown weary of waiting for action to the myriad studies, recommendations, and reports on bringing the Red Chamber into the 21st century. Senator Marc Gold's Motion 165 clocks in at more than 3,700

words, proposing a suite of changes that include—most contentiously, for some—expanding the Chamber's two-party powers to other recognized groups.

Conservative Senators, who still enjoy the title of opposition in the Senate despite being the fourth-largest group, called Gold's motion “draconian” and “unilateral,” and accused him of “ramming it through,” despite it being based on dust-gathering changes sought by other Senators over the years.

As Wright Allen reported: “Deliberations have gone on long enough, Gold told Senators, citing the 13 reports produced by the Special Senate Committee on Senate Modernization, work at the Senate Rules Committee, and individual efforts as initiatives that never ‘bore fruit, largely because there was a strong opposition ... and at times obstruction from the Conservative caucus.’”

The Senate isn't perfect, but it is made up of people who want the best for Canada. That shouldn't be overshadowed by a death grip on rules, and a structure that no longer reflects the best of the country.

The Senate of today may not be the Senate of tomorrow, but creating a framework that supports the removal of partisan strictures without the whole place devolving into *Lord of the Flies* is as good a model for Canadian society as any. And as purported leaders, all Senators should embrace that.

The Hill Times

Letters to the Editor

Leaders should highlight Poilievre's political shortcomings, says Ottawa reader

Re: “The personal transformation of Pierre Poilievre,” (*The Hill Times*, April 24, p. 9).

I nearly wrote in after reading the April 22 editorial, but I had to after reading Les Whittington's Wednesday column, which made me laugh and cringe at nearly the same time. I cannot understand why there aren't more people shouting these truths from the rooftops. Conservative Leader Pierre Poilievre is no friend of the working class or of anyone I can think of except himself. Thanks for pointing out that even with a change in hairstyle and a removal of glasses, there is absolutely no change in where Poilievre comes from or what he stands for.

Indeed, as NDP MP Charlie Angus pointed out, Poilievre's never had a job other than as a political hack—my words—so all of his working life he has lived off the taxpayers' dollar (I've been saying this for a very long time). And yet, he has the gall to sniff at Prime Minister Justin Trudeau, who actually had a real job, working as a teacher—a noble

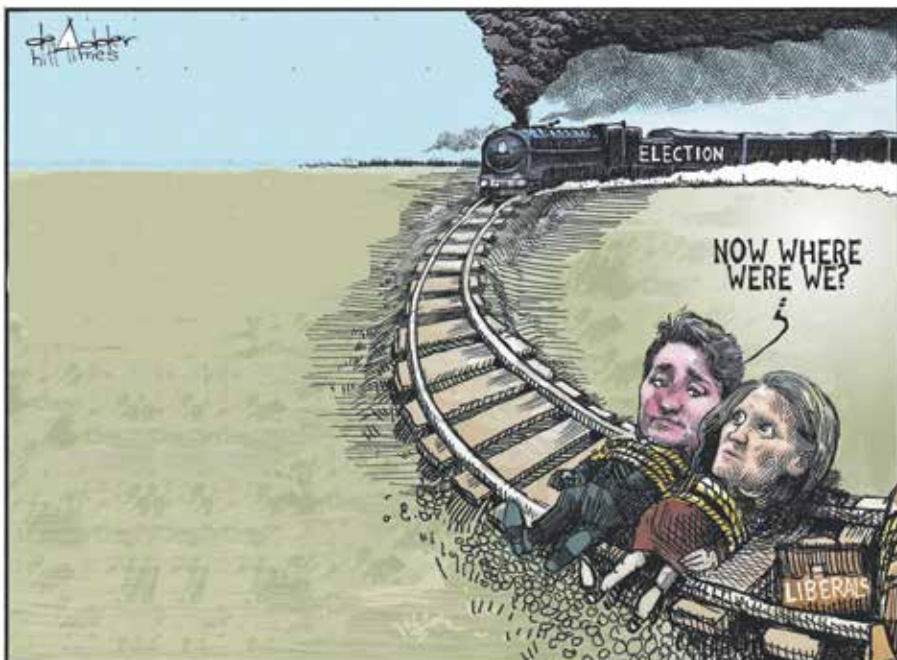
profession in my humble opinion, being a retired teacher—which isn't an easy job.

Yes, Premier Doug Ford has hood-winked Ontarians, much to our detriment in areas too numerous to list (when we're still suffering from the Mike Harris years) and Poilievre has done the same nationally. There's no doubt that there's a longing for change, but Poilievre isn't what we need, a.k.a. Harper 2.0.

I just can't understand why political leaders aren't highlighting his shortcomings, politically, not personally. I would never suggest that anyone go as low as he does in constant personal attacks. He has absolutely no credibility in my eyes.

Please, please, please, would someone with a big, loud voice “out” this man for what he is? He's certainly not PM material (I even heard one commentator say it would be nice if he could just act like a human being) and I really fear for the future of Canada when/if he becomes PM. Is this who we want representing us on the world stage? I don't.

Mary Rosebrugh
 Ottawa, Ont.



You can't fight racism by entrenching racism: letter writer

The Ontario Speaker's decision to ban the keffiyeh in the provincial legislature is anti-Palestinian, anti-Arab, and blatantly regressive for a province that purports to have an Anti-Racism Plan. How can a province protect almost a million Arab-identified Canadians—that's 1.9 per cent of the Canadian population—while practicing the very hatreds that threaten and already destroy Arab lives?

I'm a Jew who wears a sudra, an ancestral Jewish scarf that is worn in the lands my ancestors live/d in. That I can walk into the legislature while Arab

friends and total strangers are prohibited is a twisted form of so-called “free” speech that silences and robs Arabs who wear the keffiyeh of their cultural, political and/or religious lives in public while tearing at the heart of multi-ethnic and multi-racial democracy. Jews know what it means to be humiliated in public and must not go idly by as the Speaker fights racism by further entrenching anti-Palestinian and anti-Arab racism.

Devon Spier
 Kitchener, Ont.

EDITORIAL

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The populist charade

The strange part is that the populists seem to take it for granted that their voters won't notice that they've voted against their own interests.

Les Whittington

Need to Know



OTTAWA—Most salient of all the claims issued by populist political figures is the idea of coming to the aid of the average citizen suffering the disadvantages visited upon them by the supposedly unsympathetic elite.

In this script, only the populist leader can be trusted to undertake the fabulistic task of fixing the socio-economic problems experienced by the citizens in question—and accomplishing it, by the way, with easy solutions

that can be explained in the briefest of slogans.

The strangest part about all this is not so much that it doesn't actually happen, but that the populists—once in power—seem to take it for granted that their voters won't even notice that they've voted against their own interests.

Take the case, for example, of the so-called left-behind residents of the United Kingdom's northern and coastal areas. Egged on by Boris Johnson, a freedom-touting populist who over the years helped create the revolt against the European Union, voters in the U.K.'s economically disadvantaged regions helped tip the scales in favour of Brexit in the 2016 referendum.

With their socio-economic conditions blighted by many years of Conservative Party austerity, these voters were hoping that leaving the EU would lead to government investments to improve their local economies, job opportunities, and communities. In particular, they wanted improvements in the National Health System, and during the referendum Johnson had built his campaign around the lie that Brexit would free up huge sums of money to be devoted to health care.

Three years later, then-prime minister Johnson notched a

historic Conservative majority by winning over a lot of formerly Labour voters in left-behind areas by appealing to these same hopes for better jobs and living standards. Johnson championed a wide-ranging "levelling-up" strategy in which the benefits of Brexit would be used to address these aspirations.

But for the most part, Brits in these areas who voted Leave in hopes of better days ahead have since fallen further behind those in London and surrounding areas who voted Remain. Despite the "levelling-up" campaign, only 12 per cent of U.K. parliamentary constituencies that backed Brexit in 2016 have seen the promised economic benefits, according to Bloomberg UK research. Among the 50 most strongly pro-Brexit areas, almost 90 per cent have slipped further behind in the wealth and opportunity gap versus the richer parts of the country.

The Guardian found that, among the Conservative government's designated "levelling-up" missions, efforts to improve health, housing, and "pride in place" have gone backwards, and there has been no progress when it comes to education, skills training, and well-being. Only one mission—local leadership—has shown good progress.

Then there's the United States case. Donald Trump won the presidency in 2016 with an anti-establishment campaign that successfully tapped into the bitter resentment of rural and working-class voters who felt ignored by the country's elites, and left behind by globalization and technology. But non-rich Americans who expected their well-being to be a priority for Trump would have been quickly disabused of any such notion. Among other things, the Trump administration:

- Tried to undercut Obamacare, the landmark program to extend Americans' access to affordable health insurance;
- Sought to eliminate the U.S. free food stamp program for 700,000 people;
- Revoked or undercut nearly 100 federal rules setting standards on clean air, water, toxic chemicals, and wildlife protection;
- Proposed substantial spending cuts in government retirement benefits and federal health insurance for seniors and low-income earners (in contradiction to Trump's repeated promises);
- Refused during COVID to implement recommended workplace safety rules to protect workers;
- Reversed a major Obama-era climate policy by weakening auto emissions standards;

- Brought in income tax cuts that disproportionately benefited the wealthy;
- Increased the risk of another financial crisis by rolling back regulations established after the 2008 banking collapse;
- Gutted the National Environmental Policy Act, the U.S. government's key framework for assessing risks in its agencies' projects; and
- Imposed high tariffs as part of various trade wars, resulting in the loss of upwards of 170,000 manufacturing jobs.

Then there's Ontario, where Premier Doug Ford depicts himself as the protector of the average resident while systematically favouring business interests.

A brief account of his government's record includes a swap of protected Greenbelt land allegedly providing developers with an \$8-billion windfall; a relentless effort to prioritize private health care to the detriment of non-rich Ontarians; new rules allowing seniors in hospital awaiting a preferred nursing home to be moved to an alternative facility up to 70 kilometres away or face \$12,000 a month in fees; an end to some rent controls, contributing to sky-high rents; and slapping an unconstitutional wage freeze on nurses and other public sector workers.

And so it goes with the friends of the little guy.

Les Whittington is a regular columnist for The Hill Times.
The Hill Times

There's a reason the budget didn't help the Liberals

Canadians are tired of enormous deficits, they don't like being bribed with their own money, and there is fatigue with the PM as the bearer of the largesse.

Andrew Caddell

With All Due Respect



KAMOURASKA, QUE.—A long, long time ago, the government of Pierre Trudeau created the Department of Regional Economic Expansion. It was established in 1969, essentially to reduce economic disparity by subsidizing struggling industries

in Quebec and the Maritimes. It later morphed into the Department of Regional Industrial Expansion, and then into the several regional economic agencies.

I remember one project to develop overhead highway lights. The company was based in Quebec, and a market was created as the province expanded its autoroutes and highways outside of Montreal. Thousands of lights were manufactured, and there were expectations the company would be competitive across the continent. Then the subsidies dried up, and the company shut down.

I'm reminded of that company often as, since 1974, there has been an enormous highway light on my little hill here in Kamouraska, blocking out the night sky.

The moral of this story should be repeated to every Canadian politician: when you try to beat the market, it will always beat you. The Canadian political landscape is littered with government incursions into the private sector that didn't work. There's the

Bricklin car in New Brunswick, the Sprung greenhouses in Newfoundland, and countless projects elsewhere.

This brings us to Finance Minister Chrystia Freeland's recent budget. In the days before and following the budget, Prime Minister Justin Trudeau was bounding across Canada, offering billions of dollars for housing, health, and subsidies for industry. At an April 25 announcement at a Honda plant in Alliston, Ont., Trudeau said, "Today's announcement is a game changer for manufacturing in Canada."

But what if it isn't? The government is investing tens of billions of dollars in battery subsidies, but the technology could change overnight. Meanwhile, immediately after the budget focused on financially assisting gen-Z Canadians, *The Economist* had a cover story: "Generation Z is unprecedentedly rich." What timing.

The purpose of these reckless expenditures is ostensibly to build the economy of the future, but in reality, it is to give the

Liberals a "bump" in the polls. But there was no bump.

It's not surprising: in my memory, few budgets have had a significant political impact. The exceptions are 1979's Joe Clark/John Crosbie budget that sparked the 1980 election, the National Energy Program budget in 1980 that alienated Western Canada, and the 1995 Jean Chrétien/Paul Martin budget slashing the size of government.

The Liberals may now be reassessing their shameless profligacy, and wondering why there is no payback for their "generosity." First of all, Canadians are tired of enormous deficits. Second, they don't like being bribed with their own money. And third, there is fatigue with the bearer of the largesse: the PM himself.

I have run out of words to describe this government's budgets. I previously wrote it was an insult to the word to call them "budgets" as there wasn't a balance between revenues and expenditures. So it is with this budget's \$40-billion deficit.

It didn't have to be this way. As economist Don Drummond and the C.D. Howe Institute proposed, the budget could have been balanced with some restraint, and revenues increased by raising the GST to seven per cent. The long-term economic and fiscal benefits would have been enormous, and private sector investment would

have grown in a better economic climate.

Instead, to "make the rich pay," the Liberals went after capital gains. This was allegedly to provoke the Conservatives, but they didn't bite. While capital gains revenues will be \$5-billion a year, each point of the GST would have brought in an extra \$12-billion, or \$24-billion annually.

Columnist Andrew Coyne nailed it when he said he initially thought the capital gains strategy was "Good politics, but bad policy." He changed his mind to say it was "Bad politics, but good policy."

I would say it's also bad policy, because it begs the question: who are Canada's rich? Are they people with family cottages valued more than \$250,000? Doctors? Small businesspeople? Obviously not. The truly rich will move their money elsewhere. And middle-class Canadians will get nailed.

I waited a few weeks before commenting on this budget to see how it would shake down. I could have written this column the day after: this fiscal disaster was predictable, given who is in charge.

Andrew Caddell is retired from Global Affairs Canada, where he was a senior policy adviser. He previously worked as an adviser to Liberal governments. He is a town councillor in Kamouraska, Que. He can be reached at pips52@hotmail.com.

The Hill Times

Comment

Campus crackdowns earning a failing grade



A student encampment at McGill University, joining others across the continent. The next generation of power concentration is using its privilege to fight for the lives of people being slaughtered halfway across the globe, writes Erica Ifill. Screenshot courtesy of CTV News

Student encampments protesting the genocide in Gaza will surely pack a political punch that will rankle the sensitivities of the Laurentian elites.

Erica Ifill

Bad+Bitchy



OTTAWA—Take a deep breath. You smell that? It's the scent of resistance affecting your olfactory system. You can't shove an ethnic cleansing down gen-Z's throats and think they're going to swallow.

All over the world, college and university students are occupying administrative offices and setting up encampments in solidarity with Palestinians and against the ongoing genocide in Gaza. They are also demanding divestment of their schools' endowments from Israeli companies, namely weapons manufacturers. Ivy League schools such as Columbia, Yale, and Harvard are leading the charge with other renowned institutions such as the Massachusetts Institute of Technology, New York University, UC Berkeley, and the University of Southern California following suit. These are turning out to be the largest mass protests of the 21st century and something tells me we're barely halfway in.

As long as this massacre in the Mideast continues, students all over the world will continue to rise up against the ruling class' bloodthirst for war. Students have traditionally changed society and politics, creating inflection points in areas where a chasm exists. The split is so wide that civil discontent brews beneath the surface—usually buttressed by economic instability and insecurity.

In Canada, students at McGill, the University of British Columbia, and Concordia have taken the same tactics and set up encampments of their own. How that will spread—even with university administrators' warnings—is not difficult to foreshadow. These, in concert with the demonstrations on the streets, will surely pack a political punch that will rankle the sensitivities of the Laurentian elites. Civil disobedience is necessary because that's the only way to make change. We tried negotiating and following the elites' version of change after the global Black Lives' Matter protests, but now they are clamping down on the diversity, equity, and inclusion initiatives they constructed. That's the liberal idea of inclusivity: feed the masses some PR bullshit, make some adjustments around the edges, but keep everything else the same.

Remember: a riot is the language of the unheard. And we haven't even gotten to riot stage—yet.

Instead of negotiating, what do the bourgeoisie do? They send in state violence, of course, in the name of the police. Columbia has faced intense criticism for calling the NYPD to dismantle encampments. And as their treatment of homeless encampments shows,

police spread violence to often peaceful demonstrations and protests—and remember that peaceful does not mean comatose and quiet. The Thurgood Marshall Institute supports this fact: "At racial justice demonstrations, police were more likely to be present, more likely to have an escalated presence (i.e., riot police, state police, or national guard), and more likely to escalate their response to include arrests, projectiles, and chemical weapons, compared to similar demonstrations unrelated to racial justice." We've seen this here in Ottawa in the difference in responses from the Ottawa Police Service (OPS) at the height of the occupation of January 2022 and the anti-genocide protests.

Since October, the OPS has used ticketing and arrests to suppress current protests and threaten our constitutional rights of freedom of expression, freedom of peaceful assembly and freedom of association, given to us by the Charter of Rights and Freedoms. A recent op-ed in the *Ottawa Citizen* remarked on the contrast between the number of tickets issued for the use of megaphones over 20 months (from April 2022 to December 2023), totalling seven, whereas they issued 15 over the last 14 weeks. In those 20 months, public servant strikes that relied on the use of megaphones did not receive the immediate threat of violence police bring: "The city's action seems high-handed because in the past it has not been so aggressive, and indeed, was very lax with the convoy protesters." Hmm ... I wonder what the difference is?

Memories of Kent State linger. The United States' invasion of

Cambodia amid the Vietnam War in 1970 sparked student protests all over America. At Kent State University in Ohio, the political geniuses of the time called in the National Guard—after summoning the entire Kent police force—to ostensibly quell the demonstrations. Instead of calming down tensions, the National Guard opened fire on the youth, killing four and injuring nine. Kent State University explains the sequence of events: "Nearly 1,000 Ohio National Guardsmen occupied the campus, making it appear like a military war zone." The militarization of today's police increases the likelihood of a repeat.

The most interesting part of current political action is who is participating: it's the sons and daughters of the ruling class—at least in America. The next generation of power concentration is using that immense privilege to fight for the lives of desperate people being slaughtered halfway across the globe. Faculty—who comprise the best minds and recognition at Ivies—have joined the students after witnessing administrative crackdowns that place students on lists, threaten their job prospects, and bully them with the prospect of expulsion. Civil disobedience has reached the class that makes the rules and their parents are pressed.

However, civil disobedience and protests don't encompass insurrections. If you don't know the difference by now, you can sign up for remedial classes at your local middle school.

Erica Ifill is a co-host of the *Bad+Bitchy* podcast.

The Hill Times

Opinion

Let's improve our understanding of how we nominate candidates, and pass S-283

Bill S-283 is a modest step to stop the downward trajectory in Canada's international standings in gender and diverse political representation.

Jeanette Ashe & Tracey Raney

Opinion



Let's face it: if current hearings on foreign interference and piles of academic research regarding the lack of diversity in Parliament tell us anything it's that we need to know more about how parties nominate candidates for election. Senator Donna Dasko's Bill S-283, an Act to amend the Canada Elections Act, seeks to shine some light into this secret garden by expanding Elections Canada public reporting on nomination processes.

A lifelong proponent for legislative equity, Dasko knows full well the House of Commons is steadily falling behind on this issue. The presence of women and Indigenous people, Black people, and people of colour matters in terms of legitimacy and equitable policy outcomes, as well as for changing the masculine and colonial culture of Parliament.

Dasko's main goal is to improve data and transparency regarding what parties are doing to ensure their candidates and leaders reflect Canada's diverse population. Expanding public reporting of these processes could also have additional benefits. At present, very little information is publicly available about the nomination process, and Bill S-283 would increase what is available in two ways.

First, S-283 requires Canada's chief electoral officer to distribute voluntary, confidential questionnaires to nomination contestants, election candidates, and leadership contestants regarding their sex, Indigenous status, and whether contestants in nomination processes represent visible minority and disability communities. The published data would be anonymized and disaggregated

Continued on page 24

Does Canada really need the CF-35 Joint Strike Fighter?

With Trudeau's Liberals dropping in the polls, maybe it is not too late to bring out their old campaign promise to axe the F-35 contract if elected again?

Scott Taylor

Inside Defence



OTTAWA—The controversial procurement of 88 new F-35 fighter jets for the Royal Canadian Air Force was back in the news again last week. An anonymous whistleblower leaked documents to *National Post* columnist John Ivison which resulted in an article entitled “How Canada's military-industrial complex made



The saga to replace the RCAF's aged-out CF-18 Hornet fighter jets could turn into election campaign fodder, writes Scott Taylor. DND photograph by Cpl. Pierre Habib

sure Ottawa bought its preferred fighter jet.”

For those of us who have closely followed this two decades-long procurement process to replace the RCAF's aged-out CF-18 Hornet fighter jets, there is little in Ivison's piece that would be considered new information. It is alleged by the whistleblower that from the get-go in 2004, the senior leadership of the RCAF wanted to purchase the F-35 and only the F-35.

It mattered not that at the time that only a single prototype of this fifth-generation stealth fighter was in existence. Nor did it matter that the teething problems suffered by the early models of

the Joint Strike Fighters caused aviation experts like then-United States presidential candidate Donald Trump to threaten to cancel the entire project if he were elected. In short, Trump was elected and he did not cancel the F-35 purchase.

In Canada, it was the Conservative government of Stephen Harper which first announced in July 2010 that we would be buying 65 of the F-35s at a purchase cost of \$9-billion. The first delivery of these new fighters was to be in 2016. To sell the idea to the Canadian public, then-defence minister Peter MacKay actually posed sitting in the cockpit of a full scale mock-up of an F-35 at

the Aviation and Space Museum in Ottawa.

To this day, I have no idea how the Conservative government was able to use the grounds of a federal museum to display something which Canada had yet to actually purchase, let alone fly operationally. The Lockheed-Martin-owned mock-up belonged on a military trade show floor, not in a museum dedicated to the history of aviation in Canada.

The images of MacKay sitting at the controls of a fake air force plane have not aged well given the turbulence encountered thus far in Canada's purchase of this aircraft. In brief, in 2015 the Trudeau Liberals vowed not to purchase the F-35 if elected. The Liberals were elected, and the RCAF was then told to hold a competition to find the best possible replacement for the CF-18 fleet. As Ivison's whistleblower now claims, the fix was in for the F-35 to win.

In 2022, the Liberals were thus forced to announce they were buying 88 of the F-35s for the purchase cost of \$19-billion. Remember, this was the one plane which the Liberals had told voters they would never buy. The first delivery is not expected until 2026.

Which begs the question as to how, 20 years later, the Joint Strike Fighter is still the best possible solution for Canada's military? In that interim, we have learned the lesson from our prolonged occupation of Afghanistan that the modern fighter jet has no role in a counter-insurgency against a primitively armed foe. The war in Ukraine has shown us that manned aircraft are too vulnerable to modern air-defence systems, and that uninhabited aerial systems, such as drones, are the way of the future.

To see the speed with which modern warfare evolves, the Russian army has now developed what they call “Turtle Tanks,” wherein an armoured shield is welded atop their armoured vehicles to counter the threat of anti-tank kamikaze drones. While presently enjoying a measure of success against Ukrainian defenders, this will no doubt soon be countered with more sophisticated, delayed-action-shaped charges married to the existing drones.

With Trudeau's Liberals dropping in the polls, maybe it is not too late to bring out their old campaign promise to axe the F-35 contract if elected again? The \$19-billion in savings would buy a boatload of disposable drones and the truth is that by 2026, the RCAF will be hard-pressed to find any pilots to fly the new F-35s.

Scott Taylor is the editor and publisher of *Esprit de Corps* magazine.

The Hill Times

Coral reef condoms: how to save a dying ecosystem

The efforts making the most progress is an attempt at ‘assisted’ evolution. It's really a glorified form of selective breeding, choosing the most heat-resistant of each generation of coral polyps as the parents of the next.

Gwynne Dyer

Global Affairs



LONDON, U.K.—“Without extinction, there would likely be insufficient ecological ‘space’ available for new species.”

What? Is this person saying that extinction is a good thing?

But what about the scarlet-throated goat-botherer? There are only 23 of them left in the wild, and half of them live on the slopes of an active volcano. We must do something.

Not necessarily. I was idly leafing through the pages of a textbook on historical geology, and I chanced on this passage:

“The pattern we see in the fossil record is not one of continuous diversification with new species being added, but none ever removed. Instead, the average species lasts a few million years, and then vanishes forever from the face of the planet. It goes extinct.”

Human beings are uncomfortable with this fact because we feel guilty for accelerating the extinction of so many other species. Our attempts to make amends began with simple measures like nesting boxes for rare owls and wildlife bridges over busy highways—local fixes for local problems—but global warming requires more complex interventions.

Consider, for example, the ringed seals of Lake Saimaa, the biggest lake in Finland. They are freshwater seals unique to this lake, and 30 years ago they were nearing extinction. In winter,

they used to build shelters into snowbanks on the ice to protect their pups from storms and predators, but in a warming climate the deep snowbanks have disappeared.

So people from Finnish parks and wildlife agencies are going out each winter with snow shovels to create manmade snowdrifts on the ice. They even stomp the piled snow down tight, although they leave the final excavation of the dens to the seals themselves. And the seal population has recovered on Lake Saimaa—up to 400 adults at last count.

It's a much bigger deal when an entire existing ecosystem threatens to go extinct, but the first such event is now knocking at our door: the mass death of the coral reefs.

Almost all the world's shallow-water coral reef systems are now suffering bleaching episodes that leave them severely damaged or just dead. It's a direct result of global warming: the added heat causes the little coral animals to expel the algae that provide most of their food. Then they starve to death, leaving only the bleached “bones” behind.

That's a poor design for the present circumstances, although it must have had some practical benefit in the past to make it through the evolutionary process at all. Given how many other environmental crises we are now facing, however, we could be excused for just letting the corals go.

Extinction is not a measureless catastrophe, just the normal end-point in the evolutionary trajectory of the vast majority of species that have flourished on this planet. Whatever is lost will be replaced with something else, often something more interesting than its predecessor.

The thousands of coral species died back—or even died out—in each of the five great extinction episodes of the past half-billion years, only for identical or similar creatures to recolonize the reefs when the climate moderated again. As with the spirit Ariel suggests in William Shakespeare's play *The Tempest*, nothing is ever really lost. It just “suffers a sea change into something rich and strange.”

However, the current array of coral species has a certain economic value to human beings (though surely not the \$6-trillion claimed by the World Wildlife Fund). Moreover, the corals have a powerful emotional importance to the divers—including my entire family—who actually spend time with them. So many people are trying to save them.

The effort that has made the most progress is an attempt at

“assisted” evolution. It's really a glorified form of selective breeding, choosing the most heat-resistant of each generation of coral polyps as the parents of the next generation, and discarding the rest. This may or may not include direct genetic modification of the corals or their symbiotic algae.

A second intervention is working on a sort of “coral IVF” (in vitro fertilization) in which the goal is to ensure that a large proportion of the “gametes” (male and female), which are released into the ocean when corals breed, actually take root.

This may involve “coral condoms” to capture large numbers of the gametes in a cone-shaped net and move them to heat-devastated areas when they can create new colonies. Weirdly intrusive, but it seems to work.

And then there is the direct method: marine cloud brightening. Stop the bleaching at source by putting a very fine mist of seawater into low-lying clouds so that they reflect incoming sunlight and cool the reefs.

And if it all fails, don't feel bad. The corals will be back for the next iteration, even if we aren't.

Gwynne Dyer's new book is *Intervention Earth: Life-Saving Ideas from the World's Climate Engineers*. Last year's book, *The Shortest History of War*, is also still available.

The Hill Times

News

Public hearings provided ‘no great revelations’ for upcoming foreign interference report, says national security expert Wesley Wark

Former CSIS intelligence analyst Stephanie Carvin says the commission is ‘another inconvenient warning’ from an exasperated intelligence community with an outdated mandate.

Continued from page 1

From March 27 to April 12, the commission heard testimony from nearly 70 witnesses, including diaspora groups, federal political party officials, politicians, intelligence officials, Trudeau, and members of his cabinet and the Prime Minister’s Office.

Despite the “endless detail and diving into the weeds” on topics like the irregularities reported during the 2019 Liberal nomination contest in Don Valley North, Ont., concerns about defeated Conservative candidates, and difficulties with intelligence sharing and briefings, Wark said he doesn’t believe the upcoming report will contain any “great revelations” not already mirrored by the Johnston report.

“I don’t want to totally rule it out, but from my perspective, it is hard to imagine that Hogue will come up with findings very different from those that Johnson came



Wesley Wark is a senior fellow with the Centre for International Governance Innovation and served two terms on former Conservative prime minister Stephen Harper’s Advisory Council on National Security from 2005-2009. *Photograph courtesy of Wesley Wark*

up with,” Wark, a senior fellow with the Centre for International Governance Innovation, told *The Hill Times*, adding that the hearings have been “a useful reminder that foreign interference activities are very difficult to pin down and almost impossible to measure in terms of impact.”

Johnston’s report said that foreign interference is a “real and growing threat,” but recommended against a public inquiry, arguing that much of the most relevant information and testimony would need to remain secret.

While Wark has long maintained that he didn’t believe a public inquiry would be “useful” in getting to the bottom of foreign interference in elections, he said that the public hearings have had some value in illuminating the role of the Security and Intelligence Threats to Elections Task Force.

“I don’t think it changed the general picture, but it was quite fascinating to see the inner workings of how the intelligence fusion process worked, or in some cases, didn’t work,” Wark explained. “There were some interesting suggestions of a degree of friction between CSIS [the Canadian Security Intelligence Service] and the Task Force on certain pieces of reporting.”

Due to the nature of election interference and how the hearings have been structured, Wark said much of the testimony has been more “politically tinged” than a usual judicial inquiry, pointing to the concerns raised by former Conservative leader Erin O’Toole about Beijing-led disinformation campaigns in the 2021 federal election.

In their testimony, both O’Toole and former Conservative



Stephanie Carvin is an assistant professor at the Norman Paterson School of International Affairs at Carleton University. *Photograph courtesy of Stephanie Carvin*



MP Kenny Chiu focused on what they viewed as targeted disinformation campaigns they said led to their party’s defeat in up to nine ridings in the 2021 election—including Chiu’s of Steveston-Richmond East, B.C.—over their campaign platform’s stance on the Chinese government.

Conversely, witness testimony from the Liberal Party, including members of the PMO, pushed back on those conclusions, arguing that the Conservatives had lost the election based on issues like gun control and vaccine mandates.

“Inevitably, because of the way the hearings have been structured, there have been a lot of partisan arguments at its heart,” Wark said. “I don’t think anyone has been swayed if their minds were made up, and if not, I’m not sure we’ve heard anything that would lead them to cement a view.”

While Wark has not been moved by the hearings so far, he said he believes the commission’s “real value” will be demonstrated in its Stage 2 hearings, focusing

on policy recommendations, an issue Johnston could not pursue before stepping down as special rapporteur last summer.

“We’ve certainly learned a lot more about the problems with intelligence dissemination in Stage 1, but I think Stage 2 is really going to be the value add for this commission.”

The inquiry’s policy phase, which will broaden the commission’s focus to democratic institutions and the experiences of diaspora communities, will begin following the release of the interim report. Further public hearings will begin some time in the fall, and a final report will be submitted by Dec. 31.

As for the suggestion that there was anything nefarious about members of the PMO or policy officials either challenging or not accepting intelligence briefings, Wark said that was “absurd” and demonstrated a lack of understanding of how intelligence interacts with government policymaking.

While Wark said it is important for intelligence agencies to



CSIS director David Vigneault’s public hearing testimony underscored that the briefing conversations between security officials and politicians don’t always reflect the written notes, says Stephanie Carvin. *The Hill Times photograph by Andrew Meade*



After hearing from nearly 70 witnesses over 10 days earlier this spring, Foreign Interference Commissioner Justice Marie-Josée Hogue is set to release her interim report on May 3. *The Hill Times* photograph by Andrew Meade

have the capacity to brief senior bureaucrats, he added that those officials should never be expected to accept that information “at face value.”

Wark explained that intelligence briefings should always be subject to contestability, and nothing from the testimony by Trudeau, his cabinet, or his senior PMO staffers like chief of staff Katie Telford suggested a lack of attention to or outright dismissal of intelligence.

“I didn’t see anything in the testimony that suggested to me that they thought they knew better or were inclined to dismiss it,” Wark said, adding that he believes much of the controversy was being led by a “media misreading of how intelligence is typically handled in a democratic government.”

“No prime minister is going to get a CSIS briefing and say, ‘those must be the facts of the matter, thanks, and have a nice day.’ It’s just a ridiculous idea,” Wark said. “It makes a nice story, but that’s just not how things work.”

‘Sunny ways wall’ a barrier to intelligence sharing, says former CSIS analyst Carvin

Stephanie Carvin, a Carleton University professor and former CSIS intelligence analyst, said the hearings have provided “a more direct understanding” of the obstacles and shortcomings in integrating intelligence sharing and policy making.

“CSIS has been screaming that the light has been blinking red for a number of years, but the message doesn’t seem to be getting through,” Carvin said, adding that the problem was not simply an issue of policy officials not listening.

“Just because something is in a briefing note that doesn’t necessarily mean it’s been briefed,” Carvin said, noting that in her past experience writing briefing notes, the creation of those document binders was constrained by short timelines and reliance on “pre-ap-

proved language” regularly copied and pasted from briefings.

“What I strongly suspect happened, having written briefing notes myself and from watching the testimony, is that a lot of the time, they don’t even open the [briefing] binder,” Carvin said, adding that the testimony from CSIS director David Vigneault when he was recalled to testify for a second time on April 12 validated that assessment.

“Vigneault basically said that he went into the briefings with the notes, but that doesn’t mean that’s what was actually discussed,” Carvin explained.

Carvin also said she had been surprised by the quality of many of the briefing notes made available to the inquiry, noting that much of the information provided was unhelpful to policymakers.

Carvin pointed to one briefing note that seemed to conclude that Beijing had successfully interfered in Canada’s elections or that the interference would continue until Canada “gets serious.”

“That’s not a briefing position, and I don’t think it’s something [CSIS] is in a position to determine,” Carvin explained. “They can say that China tried, but they don’t know whether it worked. They don’t know why people voted the way they did.”

As for how seriously Canada takes foreign interference, Carvin said it would be fair for CSIS to highlight “credibility issues” or how foreign adversaries perceive the action being taken, but suggestions like “reworking the legal system” aren’t useful pieces of policy advice.

“I’m not sure that [CSIS] is necessarily covering itself in glory in the way that it briefs,” Carvin said, attributing some of the issues to a “hangover” from the previous two decades of prioritizing counterterrorism.

“Counterterrorism is more or less a policing issue to a certain extent, and it doesn’t require major policy interventions from CSIS,” Carvin said, explaining that due to that focus, there was always more pressure for intelligence products to be more useful “in house rather than downtown.”

“Because the focus was on terrorism, you were designing analytical products for operators and not necessarily policy people downtown,” Carvin said, adding that due to that prior experience, she isn’t sure that internal briefing culture has yet fully adapted to the more recent political and economic national security threats like foreign state-led interference.

While Carvin said that the intelligence community had improved, there is still “a long way to go” before the relationship between Canada’s intelligence and policy communities fully matures.

Compared to the intelligence communities in the United States or the United Kingdom, Carvin said that CSIS is comparatively young, having been comprised of “paramilitary elements of the RCMP turned civilian service” in 1984.

Ironically, despite its youth, CSIS is still dealing with an outdated mandate, which she said is a major contributor to the difficulties in its employees understanding how their work interacts with the policy community.

“We need to better integrate those two solitudes,” Carvin said, adding that on the part of the intelligence community, that

means recognizing that the policy community has its own expertise.

Carvin explained that there needs to be increased “socialization” between the two communities for both to become more familiar with each other’s functions, and how best to support them. To do so, Carvin suggested that, as is common in the U.S., there should be an increased emphasis on cross-over employment between the two communities.

Carvin said that with more employees who have experience in policy and intelligence, both communities would have a better understanding of each other’s priorities and how best to communicate with one another, especially when the message is one the intended audience may not want to hear.

While Carvin said that intelligence products aren’t a “trump card to win an argument,” she also said that at least some of the intelligence community’s briefings had been deflected by what she called “the sunny ways wall.”

“National security is the opposite of sunny ways; it’s dark and stormy, and I don’t think the government has wanted to listen,” Carvin said, noting that in Vigneault’s testimony, he had explained that some of the briefing material may not have been raised because it had been discussed so many times previously.

“Vigneault has been astonishingly public about saying we need to update CSIS’s mandate for nearly five years,” Carvin said. “The intelligence community is demoralized, and feels like it can’t stand up to the challenges because of the mandate.”

On April 25, Public Safety Canada released its “what we heard and learned” report following the public consultations that began last November on possible amendments to the CSIS Act. The report indicated strong support for the proposed amendments, and a “general understanding that advancements in technology and evolving threats have created a need for changes to the CSIS Act and favoured amendments.”

Carvin said that the commission is “another inconvenient warning” of the intelligence community’s exasperation with the government’s “unwillingness to create the legislative tools that are desperately needed.”

“National security is not where the heart of this government is. It wants to focus on pharmacare and dental care, and that’s fine, but there are consequences to that,” Carvin said. “The fact that we’re in this situation is part of that consequence.”

Despite this, Carvin also said that the intelligence community’s job was to find a way to “reach their audience,” and that the audience ultimately had the prerogative to challenge or even ignore the advice.

“It’s the job of people like [Telford] to kick the tires,” Carvin explained. “When we think about the politicization of intelligence, we often think of the worst examples like the Iraq War, but not questioning intelligence and accepting it at face value is also a form of politicization.”

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PMO staffers Patrick Travers, left, Brian Clow, Jeremy Broadhurst, and Katie Telford testify before the Foreign Interference Commission on April 9 at Library and Archives Canada. *The Hill* photograph by Sam Garcia

Feature

Flying high: super travel agent Scott McCord celebrated by politicians

For 25 years, Scott McCord has been booking flights for Ottawa's politico players, so they threw a big party in his honour.

BY ZACK LADOUCEUR

Scott McCord may not be a household name in Canada, but in political Ottawa, he's considered a rock star for travel-weary Hill people.

Known for his straight-up, gruff telephone style—"McCord. Call me."—the travel giant has been both admired and trusted across party lines for a quarter century for organizing flights on short notice for MPs, Senators, ministers, and many more.

The travel agent celebrated his company's 25 years in business on April 15 with a crowd of about 400 people. McCord said it was emotional meeting so many people face to face—some for the first time, despite fielding multiple weekly calls to help with their travel needs.

McCord admitted that he likes to keep the focus on his work rather than himself, but "one of the top reasons" inspiring the event was the opportunity "to put a name to a face."

"Well, I don't like attracting attention to myself. I don't need it to get my job done, it's not in my nature," McCord told *The Hill Times* in an April 26 phone interview.

The event, held at the Canada Aviation and Space Museum, pulled in MPs, top staffers, current and former cabinet ministers, and provincial politicians to support McCord's legendary career in an air travel-themed, non-partisan cocktail mixer. Gracing the guest list were: Innovation Minister François-Philippe Champagne (Saint-Maurice-Champlain, Que.), Treasury Board President Anita Anand (Oakville, Ont.), Natural Resources Minister Jonathan Wilkinson (North Vancouver, B.C.), Veterans Affairs Minister Ginette Petitpas Taylor (Moncton-Riverview-Dieppe, N.B.), Rural Economic Development Minister Gudie Hutchings (Long Range Mountains, N.L.), the prime minister's chief of staff Katie Telford, local Liberal MP Mona Fortier (Ottawa-Vanier, Ont.), and former British Columbia premier Christy

"I don't believe in the expression 'McCord Magic,'" says travel agent Scott McCord. "I think it's experience, elbow grease, and having a really good team. There's nothing magical about it." Photograph courtesy of Curtis Perry



Clark. Former prime ministers Stephen Harper and Joe Clark, ex-Conservative cabinet minister John Baird, top diplomats Ralph Goodale and Bob Rae, and former CBC anchor Peter Mansbridge all sent in video tributes. Broadcaster Catherine Clark was the MC.

McCord credited the work of his team for his success.

"I don't believe in the expression 'McCord Magic,' even though it exists as an expression. I think it's experience, elbow grease, and having a really good team. There's nothing magical about it," he said.

The 65 year old loves the job enough to do it every day of the week, but said he ended up in the industry by accident.

In 1981, work brought him to Ottawa, also home to two friends who were influential in the federal Progressive Conservative Party. They convinced him to start working for the party as a youth director where he was in charge of organizing young people across the country. Afterward, he worked process-oriented jobs in the party, such as scheduler, tour organizer, and a travelling executive assistant for then-cabinet minister Harvie Andre.

In 1983, the Progressive Conservatives held their federal leadership review in Winnipeg, Man., before the vote in Ottawa, which elected Brian Mulroney leader. McCord's eye for detail caught the attention of party leaders. So when it came time for the logistics of getting thousands of party members to Winnipeg, McCord was the man for the job.

"They took me, who didn't know that much of travel, and said, 'You've got to get 5,500 people to Winnipeg in the middle of winter.' So we had a charter plane, and we basically commandeered every plane in Canada," McCord recalled.

Suddenly, McCord had a reputation as a travel agent and he soon began receiving three or four calls a week from people asking for travel-planning help. The number of calls increased to one or two a day, getting in the way of McCord's job in Andre's office. He said he managed the dual roles for the better part of a year, helping people as a hobby on the side of his desk. He spent his free time learning more about the travel business. But almost a year in, the hobby took too much time and he knew something had to change.

At this time, McCord was working for then-employment and immigration minister Barbara McDougall, but when she was appointed external affairs minister in 1991, he left the Hill to become a full-time travel agent. McCord took a job working with Club Voyages Guertin, gained more experience, and started his own company, McCord Travel Management, in 1999.

Attacking travel problems 'like a political staffer'

Jane Wisener, who organized the celebration event, said McCord's fans were lining up all night to meet him.

"It was almost like he was a rock star," said Wisener, president

of Jane & Co., who estimated McCord hadn't met half of the people in the room. "They only speak to him on the phone. Nobody knew what he looked like in real life."

"There was such a cross section of Ottawa in the room. All their unique ties are that they were all connected with Scott," she said.

Even she has experienced the "McCord Magic"—just last week, in fact. On April 22, he was able to help her avoid being stuck in an airport all night. Wisener was flying from Toronto to Whitehorse with a layover in Vancouver. Her flight from Toronto was delayed five hours so she missed her originally scheduled connecting flight in Vancouver. Ultimately, she landed at 3 a.m. Eastern time. Her only hope of not sleeping in the airport was a small, local Air North plane heading to Whitehorse. The only problem: it was full. She called McCord to see what she could do. He called the owner of Air North and managed to find room for her on the flight, saving hours of time.

What makes McCord so well-liked among all sides of Ottawa's political class? Wisener said it's because of his training, attention to detail, and ability to get things done in a time crunch.

"He seems to attack it like a political staffer would that problem. He's great at what he does," said Wisener.

Senate Conservative Leader Don Plett (Landmark, Man.) attended the celebration for his friend. He told *The Hill Times*

their 20-year relationship had a rocky beginning, and the two nearly stopped working together because of McCord's "abruptness."

Plett said he felt ignored by McCord because he was often put on hold on the phone for long periods of time. When Plett confronted him about this, McCord suggested that maybe they couldn't be in business. This took Plett aback and—at first—he was tempted to agree. But by this point, he had already realized McCord's knack for travel solutions and mended the relationship.

Their professional relationship started many years before Plett joined the Senate in 2009, having crossed paths with McCord's company as the unofficial travel agent of the Conservative Party of Canada. McCord became Plett's personal travel agent in late 2002. Now, 22 years later, Plett said he appreciates McCord's work.

He recalled McCord helping him and his wife get out of a jam on a 2007 vacation in Italy. McCord had booked the flights for the couple, but the Pletts had planned the rest themselves. They landed, and while getting into a cab realized there was no print-out of that plan. They immediately panicked. Dropped off downtown, speaking not a word of Italian, Plett quickly called McCord. It was the middle of the night, but McCord answered anyway. He directed them to a hotel and two hours later, the Pletts had a printed-out agenda and were back on track. Plett said he still appreciates him for saving that trip.

"You never, ever forget that you can count on a person like that," said Plett.

According to Plett, McCord is successful because of his direct manner of talking to people.

"He left politics out of it. His abruptness and his demeanour gave you both a sense of confidence in what he was doing for you but it also—I don't want to use the word endear you to him—but it did and in the most strange, strange way because he treated everybody exactly the same."

An hour after Plett's interview with *The Hill Times*, he called back to share another story and the high regard in which he holds McCord. The in-person people-shy McCord surprised the Senator by attending a Christmas party in his office.

"That just meant the world to me to show the kind of friendship he considered we had, when he would very rarely attend—especially on the Hill—any events."

McCord sold his company to Direct Travel in 2021, although he still works with McCord Travel Management. He said he sold the business so he could focus on helping people without dealing with business overhead. Direct Travel was purchased by Steve Singh, co-founder of Concur, and a group of firms earlier this month.

McCord said now that he is 65, slowing down and eventually retirement could be on the horizon. But, until then, he will continue his seven-day work weeks.

"I consider myself privileged to deal with lots of interesting people and make their lives a little bit better by helping them out."

The Hill Times

BANKING AND MONETARY POLICY

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Pandemic 'supply shocks' could indicate need for more agile monetary policy, says former BoC deputy

The current monetary policy framework agreement between the federal government and the Bank of Canada, which lays out the mandate of the central bank, is set to expire at the end of 2026.

BY JESSE CNOCKAERT

The Bank of Canada's monetary policy framework renewal should incorporate lessons from recent world events—including the COVID-19 pandemic—such as how to better forecast inflation in response to unprecedented "supply shocks" according to a former deputy governor.

"Our models for inflation and for the economy had not been really sufficiently robust to those types of supply shocks, because we really

hadn't seen them since the 1970s," said Lawrence Schembri, a senior fellow with the Fraser Institute, who served with the Bank of Canada from 2013 until his retirement in June 2022. "What I mean by supply shocks was the fact that a lot of the cost of inputs that went into the production of goods and services increased dramatically during the pandemic, and [were] also aggravated by the Russian invasion of Ukraine."

The current monetary policy framework agreement between the federal government and the Bank of Canada, which lays out the mandate of the central bank, is set to expire at the end of 2026. As part of the framework renewal, the Bank of Canada, in conjunction with the Department of Finance, will identify issues for possible improvement, and one underlying theme will likely be experiences during the pandemic, according to Schembri.

To help Canadians weather the economic shocks as a result of shutdowns during the pandemic, the Bank of Canada took actions including lowering interest rates almost to zero, and growing its balance sheet.

The bank is getting close to the end of balance-sheet normaliza-

tion, after shrinking it since April 2022 through quantitative tightening, according to Toni Gravelle, deputy governor of the Bank of Canada, in a March 21 speech to the CFA Society Toronto.

"Our actions did the job. Market functioning was restored. But in restoring market functioning—and, later, in supporting the economic recovery—we ended up substantially growing our balance sheet," said Gravelle in the speech. "A lot has happened since then. As pandemic restrictions eased, inflation increased. In response, we rapidly raised our policy rate—our main tool for controlling inflation. And because of the progress that we have made on inflation, our monetary policy discussions have shifted from whether our policy rate is restrictive enough to how long it needs to stay at the current level."

During the pandemic, a shift out of the production of services and into the production of goods occurred, but the economy also recovered much faster than expected, according to Schembri.

"I think [the authorities] underestimated to some extent ... how quickly the economy would adjust," said Schembri. "The fact that we were able to work from home fairly easily for a number of different work occupations ... and then the vaccines all happened sooner than we expected. The ability to adjust policy quickly—I think—is something that should be considered."

The federal government's response to the pandemic included a stimulus program intended to stabilize the economy and support businesses.

In an April 6, 2023, post on the Fraser Institute website, senior fellow Philip Cross, a former chief economic analyst with Statistics Canada, said that maintaining stimulus while much of the economy expanded beyond its pre-pandemic levels helped fuel inflation by boosting demand beyond supply.

Schembri argued there's a need for monetary policy that better captures how supply shocks and economic stimulus affect inflation.

"I still believe that much of the inflation that we saw in Canada was a result of these external supply shocks that really weren't driven by what was happening in Canada, per se, but at the same time, there was a lot of stimulus ... because the pandemic was an unprecedented shock for the Canadian economy," he said. "And so, the combination of this stimulus by the Bank of Canada, as well as by the government, coupled with the supply shocks, had this sort of large effect on inflation."

Christopher Ragan, an associate professor and the founding director of the Max Bell School of Public

Policy at McGill University, told *The Hill Times* that as the current monetary policy approaches its conclusion, the Bank of Canada will likely consider whether the current inflation targeting regime could have operated in a way that would have prevented the rise in inflation since the pandemic.

"My prediction is that ... they will say, 'well, most of this inflation actually wasn't coming from poor Bank of Canada behaviour or poor policy. It was coming from the intricacies of the pandemic, the supply chain disruptions associated with shutdowns in various parts of the world economy, pent-up demand that happened in the later stages of COVID, and after COVID was over, the Russian invasion of Ukraine,'" said Ragan. "I think those questions about reason for inflation will be asked. I mean, how would you not ask those? You've got to ask those. But my prediction is that the answer will be that wasn't the fault of monetary policy, basically."

Ragan said that the last several years are a reminder that, while monetary policy may be primarily responsible for long-term inflation performance, unrelated short-term "bumps and wiggles" can still occur.

"The supply chain disruptions associated with COVID had nothing to do with monetary policy. The pent-up demand had nothing to do with monetary policy. The Russian invasion of Ukraine had nothing to do with monetary policy," he said.

"I think one lesson is to remind the Bank and everybody about temporary—even lasting for a few years—changes in inflation may not have their cause in the central bank."

"This is not, by the way, a serious criticism of the bank. I think it was a very confusing time. But in retrospect ... I think we probably will conclude that central banks were a little bit slow in responding to that inflation. And at this point, I actually don't think we will



Finance Minister Chrystia Freeland said she fully respects 'the independence of the Bank of Canada as it delivers on its mandate to return inflation to target,' back in September 2023. *The Hill Times* photograph by Andrew Meade

conclude that they were excessive in terms of rate increases, but I think that's maybe too soon to tell," he said. "Maybe two or three years from now, we will look back and go 'you know what? With the benefit of a few more years of hindsight, we might conclude that they were excessively zealous in their tightening,' but I actually don't think that at this point."

At the heart of Canada's monetary policy framework is the inflation-control target, which is two

per cent, the midpoint of a one to three per cent target range, according to the Bank of Canada website. The two per cent target, first introduced in 1991, is set jointly by the Bank of Canada and the federal government, and is reviewed every five years.

On April 10, the Bank of Canada held its key interest rate at five per cent for the sixth consecutive time since July 2023. The central bank said that inflation is still too high, but noted that core inflation

measures have eased further in recent months, according to a press release.

"The Council will be looking for evidence that this downward momentum is sustained. Governing Council is particularly watching the evolution of core inflation, and continues to focus on the balance between demand and supply in the economy, inflation expectations, wage growth, and corporate pricing behaviour. The Bank remains resolute in its commitment to restoring price stability for Canadians."

When the Bank of Canada previously maintained its target for the overnight rate at five per cent in September 2023, Finance Minister Chrystia Freeland, (University-Rosedale, Ont.) called the decision a "welcome relief for Canadians," as reported by CBC News on Sept. 6.

In the public response, Freeland added that she fully respects "the independence of the Bank of Canada as it delivers on its mandate to return inflation to target."

Jean-François Perrault, senior vice-president and chief economist for Scotiabank, told *The Hill Times* that when the monetary policy framework comes up for renewal, a question on the minds of some will be if the two per cent inflation-control target should be changed.

"It's been difficult to get inflation down to two [per cent]. It's been costly. The Bank of Canada set an interest rate of five per cent to bring inflation down to two, [and] the argument being if you had an inflation target of three, you wouldn't have to raise interest rates as much to get inflation [down]. Ac-

tually, you'd be there now, so you'd have been able to reduce interest rates sooner," he said. "I don't think it's going to lead to a change in the target, but it's the kind of thing that the Bank of Canada would be thinking about, given the experience over the last number of years."

Perrault said that the Bank of Canada must be forward-thinking in how it sets interest rates, because it can take around 18-24 months before policy decisions affect the economy.

"They can't wait for inflation to be two per cent before they start to cut rates, because if they do that, they will have been overly restrictive. They've got to think about cutting rates well before inflation is actually going to be two per cent to make sure that inflation hits two per cent, and kind of stays around there," he said. "Inflation is not dead. It's still around three



Scotiabank economist Jean-François Perrault says 'it's been difficult to get inflation down to two [per cent]. It's been costly.' *Photograph courtesy of Jean-François Perrault*

per cent. But, [the Bank of Canada] are thinking about cutting interest rates, because ... they have to cut reasonably soon, say this year by the end of the summer, to make sure that inflation doesn't undershoot."

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Economy and monetary policy info

- The global economy is expected to grow at around three per cent this year and next. In the United States, economic growth has been surprisingly resilient. A strong job market is boosting consumer spending, and business investment is up due to increasing demand and government incentives. U.S. growth is expected to slow later this year, but remain stronger than previously projected. Inflation is easing in most advanced economies and is expected to return to central bank targets in 2025.
- Canada's economy is expected to strengthen in 2024 but to remain in excess supply. Excess capacity will start to diminish in 2025 as demand growth remains solid and supply growth moderates. There has been progress on most indicators of underlying inflation. Recent downward momentum in core inflation, if sustained, will pull inflation down further, but higher gasoline prices are expected to keep CPI inflation close to three per cent into the second quarter of 2024. Inflation will then ease below 2.5 per cent in the second half of the year and will return to target near the end of 2025.
- Inflation is slowing as monetary policy works to reduce inflationary pressures. CPI growth was 2.8 per cent in February 2024, and core measures of inflation are now close to three per cent. Key indicators of underlying price pressures are improving, but most have not yet fully normalized. After essentially no growth in the second



half of 2023, GDP is estimated to rebound in early 2024. Quarterly GDP growth is likely to be volatile around two per cent. On an annual average basis, growth is 1.5 per cent in 2024, supported by strong population growth. It will then average about two per cent in 2025 and 2026.

- Growth in GDP per capita is expected to be negative in the first half of 2024, although it will improve throughout the year and into early 2025. The pickup will be driven by easing financial conditions, the fading effects of past increases in interest rates, and improving business and consumer confidence.
- Potential output growth is robust in 2024. This reflects strong immigration, which more than offsets the ongoing weakness in productivity growth. Moderate excess supply in the Canadian economy is expected to remain through 2024. It will start to diminish in early 2025 as demand growth remains solid and supply growth moderates. The economy is expected to return to balance in 2026.

—Source: *The Bank of Canada Monetary Policy Report, April 2024.*



Lawrence Schembri, a former deputy governor of the Bank of Canada, says he thinks authorities 'underestimated to some extent ... how quickly the economy would adjust,' following the COVID-19 pandemic. *Photograph courtesy of Lawrence Schembri*



McGill professor Christopher Ragan says the last few years are a reminder that monetary policy may be primarily responsible for long-term inflation performance, but unrelated short-term 'bumps and wiggles' can still occur. *Photograph courtesy of Christopher Ragan*



Bank of Canada Senior Deputy Governor Carolyn Rogers, left, and Governor Tiff Macklem arrive for a House of Commons Finance Committee meeting on Feb. 1. *The Hill Times* photograph by Andrew Meade

Banking and Monetary Policy Policy Briefing



With interest rates, the Bank of Canada, led by Governor Tiff Macklem, also has in its arsenal a very blunt tool, and recent developments have shown it will not hesitate to use it with great force and speed to accomplish its mission, writes CFIB's Simon Gaudreault. *The Hill Times* photograph by Andrew Meade

Spring lessons from Canada's recent economic winter

Let's hope this long economic winter will have equipped us to make the next ones less harsh, and that the spring finally comes back in full force.

Simon Gaudreault

Opinion



Spring is usually seen as a turning point in the year. In Canada, it's a period of thawing, warming, and brightening—a brand new season that will bring new energy and hope. For some of us who had it a bit rougher, it can even be a moment for soothing and recovery. This time, along with the season, many Canadians and scores of businesses looking to put a four-year economic win-

ter behind them are also looking for a long-awaited fiscal spring.

Lately, inflation—the last in a series of factors that extended this economic winter—is finally showing very encouraging signs, and the Bank of Canada is hinting that the cycle of interest rate cuts could still very possibly start as soon as this June.

If true—and if growth is as forecasted and remains solid in 2024—it will be a pretty good outcome for the bank, which has been dealing with an unprecedented challenge to both the Canadian economy and its reputation in the past few years. We would have gone from the highest rate of inflation in more than 40 years to its desired target band of between one per cent and three per cent without experiencing a recession. Those are certainly developments under which the recent conduct of monetary policy can be seen as a success story.

The road to get there, however, has been demanding. Canadians still experience higher price levels because lower inflation merely slows the increase, and does not reverse it. Higher interest rates make access to home ownership a more distant dream that is slipping away from way

too many prospective buyers. And for businesses, the impact of monetary policy has been harsh: according to the Canadian Federation of Independent Business' (CFIB) Monthly Business Barometer, in April, 52 per cent of small and medium-sized businesses reported that demand for their goods or services was insufficient—a level not usually recorded outside of recessions—and 50 per cent mentioned that borrowing costs were causing them difficulties at the moment (a near-record share since we've started the survey in 2009).

For Canadian business owners, this "it tastes awful, but it works" monetary policy moment is even more difficult to swallow because they've had to bear the brunt of the situation, but were never really the main part of the problem. Indeed, CFIB data shows that their 12-month price and wage plans only briefly peaked at 4.9 per cent and 3.6 per cent in the spring of 2022, and have been on a solid downward trend since.

The Bank of Canada's mission is first and foremost to keep inflation low and stable. To better achieve that, it is independent from the political process, allowing it to process differently—but

not to ignore—the information and feedback from economic actors compared to other policy makers. With interest rates, it also has in its arsenal a very blunt tool, and recent developments have shown it will not hesitate to use it with great force and speed to accomplish its mission.

But the economy is a complex beast with multiple parts coexisting in different states and going in opposite directions at the same time. Macroeconomic indicators such as GDP or headline inflation, or even core inflation measures, are always a bit deceptive in the sense that they mask these diverging realities. Therefore, monetary policy should be conducted with the help of a wide range of indicators, and should take great care minimizing the collateral damage it inflicts. What is the point of going from decades-high inflation to the target in record time if, in the process, we constrain demand unnecessarily, put the brakes on housing supply, and precipitate business failures?

Hopefully, the recent episode has taught us a few things about inflation and monetary policy going forward. First, high and rising inflation is a terrible thing that can inflict a lot of pain very

quickly, so aiming to keep it low and stable is a very important goal. Second, monetary policy works and central bank independence—not to be confused here with isolation—is one of the important factors behind its effectiveness. Third, not all economic actors will be impacted by inflation or monetary policy to the same extent or at the same time, so the blunt tool of interest rates must be used with care. Fourth, despite ever-present communication challenges, a variety of indicators and economic information sources should be used in the conduct of monetary policy to go beyond the surface and truly account for the complexity of our economy in order to avoid inflicting unnecessary pain.

Let's hope this long economic winter will have equipped us to make the next ones less harsh, and that the spring finally comes back in full force.

Simon Gaudreault is the chief economist and vice-president of research at the Canadian Federation of Independent Business. He is responsible for conducting research and lobbying on a variety of economic, commercial, political, and social issues affecting SMEs across Canada.

The Hill Times

Lessons in fighting inflation from the post-pandemic economic aftermath

Central banks, particularly those with a stated goal of price stability, must act decisively and swiftly in response to inflation to preserve their credibility.

Carlos Yépez

Opinion



Bank of Canada Governor Tiff Macklem. The BoC's lack of foresight in tackling rising inflation early meant that when it decided to put the brakes on inflation, it had to do so more aggressively, leading to higher interest rates, writes Carlos Yépez. *The Hill Times* photograph by Andrew Meade

The post-pandemic economic aftermath has led to inflationary pressures worldwide, and central banks are at the forefront of the battle. The Bank of Canada (BoC) is no exception as it continues to face the challenge of higher-than-usual and persistent inflation.

In June 2022, Canada's annual inflation rate was 8.1 per cent, which fell to 2.9 per cent by March 2024. To combat this, the BoC raised its policy interest rate in a series of 10 steps, from 0.25 per cent in February 2022 to five per cent in August 2023—its most restrictive level in 23 years.

The high cost of living resulting from higher inflation has affected many Canadians over the last four years. The Consumer Price Index in Canada increased by almost 16 per cent between January 2020 and January 2024, while wages (average hourly earnings) of Canadian workers rose by about 15 per cent during the same period. It is expected that inflation in Canada will not reach its two per cent target until 2025.

High inflation became a problem due to aggregate supply shortages, a generous fiscal stimulus, and easy money during the pandemic. Although Canada's aggressive fiscal and monetary policy responses were appropriate during the beginning of the COVID-19 pandemic, lack of co-ordination between fiscal and monetary policies meant that the BoC's expansionary policies of easy money and easy credit were kept too long, leading to high inflation driven by pent-up consumer demand and rapidly rising housing prices.

The BoC, along with other central banks in advanced economies, failed to forecast the ensuing high inflation resulting from these shocks, and was slow to react to the inflation problem compared to other central banks in emerging economies. The Bank of Mexico, for example, started its interest rate tightening cycle in June 2021, while the Bank of Canada began to raise its interest rate in March 2022, nine months later.

The BoC's lack of foresight in tackling rising inflation early meant that when it decided to put the brakes on inflation, it had to do so more aggressively, leading to higher interest rates. Higher borrowing costs slow down business investment, and put additional pressure on the servicing of Canadians' household debt. Furthermore, the bank's

late monetary policy response to inflation has resulted in entrenched higher inflation expectations by consumers and firms.

Although not officially acknowledged by the BoC, its interest rate actions in the last four years appear to be highly correlated with those of the U.S. Federal Reserve, implying that the bank's policy actions do not diverge much from its counterpart in the United States.

The BoC is expected to start lowering interest rates by June or July 2024, but Governor Tiff Maklem wants to confirm that the Canadian economy is on a sustained path of downward inflation and healthy labor markets before doing so. It will be interesting to see whether the bank will go ahead of the Fed in raising rates because the U.S. still faces persistent inflation, which may delay the Fed's monetary easing a bit longer into later this year.

What crucial insights have central banks worldwide gleaned from the post-pandemic inflation fight? A seminal reference is the recent Centre for Economic Policy Research book, *Monetary Policy Responses to the Post-Pandemic Inflation*, edited by eminent economists Bill English (Yale University), Kristin Forbes (MIT), and Ángel Ubide (Citadel LLC). The book offers excellent contributions from senior policymakers and leading economists who document the nuanced approaches adopted by central banks worldwide to the post-pandemic challenges. One pivotal lesson is the urgent need for agility in policy-making, as the economic landscape evolves rapidly in the wake of unprecedented shocks.

Central banks, particularly those with a stated goal of price stability, must act decisively and swiftly in response to inflation to preserve their credibility—a key factor in anchoring inflation expectations. The BoC would do well to heed this lesson in the face of future and similar crises.

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The Hill Times

Latest budget a big step for Canada's financial services ecosystem

The government will finally advance Canada towards consumer-driven finance when it tables legislation signalled in April's budget.

Steven Boms

Opinion



More than six years ago, the government announced in the 2018 federal budget its intention to design and implement an open finance regime in Canada. The minister of finance created the Advisory Committee on Open Banking,

which, over 18 months, crafted detailed recommendations laying out a government-led approach to facilitating a consumer-centric Canadian financial services framework in which the consumer or small and medium-sized enterprise (SME) would have full control over their data and could choose from a broad range of financial products, tools, and services that best meet their needs.

However, as other countries moved forward with such commonsense systems, Canada lagged behind. Finally, through its detailed plan to create an open finance framework in coming legislation, the government will advance Canada towards consumer-driven finance.

Budget 2024 marks a significant step for the financial empowerment of consumers and Canada's financial services ecosystem. Once passed, the implementing legislation will bring Canada in line with jurisdictions like Australia, the United Kingdom, the European Union, New Zealand, and Singapore, where established and legally protected consumer financial data rights already significantly benefited competition and empowered consumers and SMEs to access the financial services providers of their choosing more easily. In the U.K., for example, open banking has seen its payment transactions double by the end of last year, and the number of new accredited financial service providers available to consumers and SMEs has increased by nearly 25 per cent in three years. The Canadian government's decision after six years to implement a similar regime in Canada will unquestionably deliver these same competitive benefits at home.

The government's consumer-driven banking framework in Budget 2024 pres-

ents an important advancement in financial services, particularly in its comprehensive scope and the push for interoperability. By including a diverse array of financial accounts—from savings and chequing accounts to investment products and loans—it ensures that the benefits of open finance are extensive and inclusive. This approach is not only progressive, but also practical, as it acknowledges the complex financial needs of today's consumers and SMEs. However, there is a crucial need to expand the scope of this framework to explicitly include SME accounts. Given the significant role small businesses play in the Canadian economy, equipping them with the same data-driven tools and services as consumers is essential for their growth and resilience.

The framework's alignment with the United States Consumer Financial Protection Bureau's regulatory push towards open banking—and the Canadian government's announced intention to build a system that is interoperable with the U.S.—

is a commendable strategy. This synchronization promises to streamline the financial operations across borders, enhancing the efficiency and scope of financial services available to Canadians. This cross-border interoperability is crucial for maintaining competitive parity with international standards and for fostering a financial ecosystem that is robust, secure, and consumer-centric.

There's certainly a lot to like in what the government proposed. On the other hand, the government's proposed design of the country's open finance framework, which provides the Financial Consumer Agency of Canada with primary oversight of the system, will have to ensure that the agency retains the technical expertise required for this important role. A key lesson learned from the experiences of other jurisdictions that have led the way in advancing their own open finance regimes is that purpose-built entities that are neutral, transparent, accountable, and endowed with the authority to make swift, definitive decisions are required to deliver and maintain a well-governed system on behalf of consumers and SMEs. Execution will be vitally important as the government works to implement the framework announced in Budget 2024.

The government should be commended for finally delivering its plans to promulgate open finance in Canada in the most recent budget. Competition in the financial sector will benefit from it, and consumers and SMEs will be better served for it.

Steven Boms is the executive director of the Financial Data and Technology Association of North America.

The Hill Times



The consumer-driven banking framework in Finance Minister Chrystia Freeland's 2024 budget presents an important advancement in financial services, writes Steven Boms. *The Hill Times* photograph by Andrew Meade

Banking and Monetary Policy Policy Briefing

Central bank independence must remain a priority

Politicians have many competing priorities, and may not always place a high enough importance on low and stable inflation.

Michael Burt & Pedro Antunes

Opinion



On March 27, 2020, then-Bank of Canada governor Stephen Poloz and then-finance minister Bill Morneau jointly addressed the nation, holding hands (figuratively), pledging to combat the economic fallout of the pandemic through co-ordinated fiscal and monetary policies.

Forced pandemic closures were supported with a series of programs, including the Canadian Emergency Response Benefit, the wage subsidy, the forgivable business loan program, and many others. The Bank of Canada dropped its overnight lending rate to rock bottom and embarked on several quantitative easing initiatives, purchasing provincial and federal bonds, and initiating other programs to inject liquidity into the economy. Policies and mindsets were aligned: do everything possible to reduce panic, assure business owners and households, and stabilize the economy.



Then-finance minister Bill Morneau, left, and then-Bank of Canada governor Stephen Poloz arrive at a press conference in Ottawa on March 27, 2020. The symbolism of the central bank governor and federal finance minister appearing together may have inadvertently politicized the Bank of Canada, write Michael Burt and Pedro Antunes. *The Hill Times* photograph by Andrew Meade

The co-ordination of monetary and fiscal policy was critical to minimizing the impacts of the pandemic on the economy. Even with these initiatives, real GDP contracted by five per cent in 2020. However, the symbolism of the central bank governor and federal finance minister appearing together may have inadvertently politicized the Bank of Canada, causing some to wonder about its independence.

The question of central bank independence has become dramatically more salient in the

past four years. The two critical factors that have triggered this include the post-pandemic surge in inflation, and the housing affordability crisis. The Bank of Canada's actions were integral to the response to high inflation, and a secondary contributor to the housing affordability crisis. Given the importance of these challenges, policy responses are a necessity for any government, but they have many competing priorities beyond the Bank of Canada's core mandate of low and stable inflation. This collision of compet-

ing interests is at the heart of why central bank independence is so important.

When it comes to inflation, fiscal and monetary policies have been pulling the country in opposing directions. One could argue that the Bank of Canada was slow to respond to rising inflationary pressures in 2021, but it aggressively raised rates in 2022-23 in an effort to ease demand and a red-hot labour market. Meanwhile, both federal and many provincial governments expanded spending and transfers to both improve affordability, and address other priorities.

As we have previously indicated, Canada's housing crisis was years in the making. Local government policies around zoning and development fees were major contributors in limiting supply. The Bank of Canada's extended period of very low interest rates since the 2008-09 financial crisis, which culminated in mortgage rates falling below two per cent early in the pandemic, was a contributor on the demand side. The party ended when the bank raised rates to combat inflation, increasing the cost of servicing the mortgage debt that Canadians had accumulated over the previous decade.

In response to inflationary pressures and rising monthly mortgage payments, both federal and many provincial budgets introduced specific subsidies aimed at mitigating the impact of rising costs on households. While some support measures, such as cost-of-living allowances and targeted food subsidies, were appropri-

ate in addressing the needs of lower-income households, others, including broad-based housing affordability programs and fuel subsidies, provided significant stimulus. At the federal level, the 2022 budget initially projected program expenditures of \$430.4-billion for 2023-24. However, the 2024 budget revealed that program spending was \$20-billion higher for that same year.

In essence, we have many governments pushing on the gas pedal, while the Bank of Canada is keeping its foot solidly on the brake. The result has been a stalled economy, higher interest rates than might have been necessary, and a slower-than-ideal deceleration in inflation.

This tension between competing priorities has led to some politicians playing the blame game, weighing in on what the bank should do, or worse, suggesting that bank policies were the cause of inflation. The bank has also risked politicization in recent actions, for example, by suggesting that the cause of high housing costs is record levels of immigration.

Which brings us back to why central bank independence is so critically important. Namely, politicians have many competing priorities, and may not always place a high enough importance on low and stable inflation. The bank's focus on this priority is critical to Canada achieving both low inflation and long-term economic growth. For this pact to work, society's trust in both democratic institutions and the central bank is vital. These tit-for-tat accusations can only lead to mistrust and damage the ability of both to achieve their aims.

Michael Burt is the vice-president of the Conference Board of Canada. Pedro Antunes is the chief economist for the Conference Board of Canada.

The Hill Times

Politicians should let the Bank of Canada do its job

The general consensus among economists is that central bank independence is necessary for good inflation control.

Stephen Williamson

Opinion



The Bank of Canada's aggressive interest rate hikes, intended to bring inflation down from the high rates of the COVID-19 era, have produced a perhaps unsurprising negative response from elected officials at both the provincial and federal levels. Is this political criticism of the Bank of Canada merely healthy discourse, or does it threaten the hard-won independence of Canada's central bank?

Conflict between government officials and the Bank of Canada (BoC) is certainly not new. For example, in 1961, a policy conflict between the Diefenbaker government and then-BoC governor James Coyne culminated in the governor's resignation. But the general consensus among econo-

mists is that central bank independence is necessary for good inflation control. Excessive control of central banks by governments has sometimes been at the root of hyperinflations—inflation rates running at several hundred per cent per month, or more—in the 1920s in Europe, and more recently in South America, for example. But, though an independent central bank is a good thing, central bank officials are not democratically elected, so their power is limited by legislation. In Canada, the Bank of Canada Act puts constraints on what the BoC can do. For example, the bank cannot engage in fiscal policy—it cannot tax and spend.

Provincial premiers including, most notably, Ontario Premier



Conservative Leader Pierre Poilievre's criticisms of the Bank of Canada are reckless, even more so for being ill-informed, writes Stephen Williamson. *The Hill Times* photograph by Andrew Meade

Doug Ford, have recently engaged in criticism of the Bank of Canada with calls for reductions in interest rates. Prime Minister Justin Trudeau has tried a more mild form of criticism, stating that "we're optimistic that the Bank of Canada will start bringing down interest rates sometime this year," while emphasizing the BoC's independence. But what has stood out in recent Canadian

political discourse are the public comments of the federal leader of the opposition, Pierre Poilievre. He has gone so far as to promise that he will fire the current governor of the Bank of Canada, Tiff Macklem, should he become prime minister of Canada.

What exactly is Poilievre's beef with the Governor? Poilievre

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Policy Briefing **Banking and Monetary Policy**

While monetary policy benefits from a plurality of views, comments from politicians are unhelpful as the appearance of political meddling can undermine the Bank of Canada's credibility and effectiveness, writes Charles St-Arnaud. *The Hill Times* photograph by Andrew Meade

Politicians should let the Bank of Canada do its job

Continued from page 20

is quoted as saying that “he’s [Macklem is] supposed to be in charge of monetary policy and not fiscal policy. And he printed the money to fund those deficits, and he did so in an inflationary environment. And that is why I believe he needs to be replaced.”

Polievre’s suggestion is that the Bank of Canada strayed from its mandate during the global pandemic, and that its policies acted to increase the inflation rate. But what the bank was doing between March 2020 and the end of 2021 was not “printing money” in the usual sense. This was an exercise in large-scale asset purchases or “quantitative easing,” whereby the BoC bought long-maturity Government of Canada securities (primarily) by issuing interest-bearing settlement balances, or bank reserves. These settlement balances are not “money,” in that they just sit, and are not used by consumers and businesses to purchase goods and services. Settlement balances are used for transactions among banks, but only a small quantity of such balances is needed to support all Canadian interbank exchange on any given day. Large-scale asset purchases by central banks in other countries—in the United States from 2008 to 2014, and in Japan, for example—had no discernible effects on inflation.

Poillievre’s criticisms of the Bank of Canada are reckless, even more so for being ill-informed. There are instances, of course, when central bankers need and deserve criticism. Certainly the BoC’s policies since early 2020 have been far from perfect, and should be analyzed carefully and criticized. Nevertheless, Bank of Canada policy under its current leadership is correctly directed at achieving the goals laid out in the bank’s most recent 2021 agreement with the federal government. Further, BoC policy currently does not stand out in any way relative to that of other central banks in the world. Canada’s politicians would be best advised, for the time being, to keep quiet, and let the Bank of Canada do its job.

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The Hill Times

The art of monetary policymaking

Whether an explicit broadening of the BoC’s mandate is needed is far from clear, but current circumstances support the need for flexibility in monetary policy frameworks.

Charles St-Arnaud

Opinion



Under normal circumstances, the framework surrounding monetary policy and how the Bank of Canada (BoC) makes its decisions attracts little attention, with the general public more concerned about when interest rates will change than how the decision is made. However, the surge in inflation during the post-pandemic period to levels not seen in decades, and the subsequent rapid increase in interest rates that followed have brought attention to how the BoC conducts monetary policy.

With inflation and interest rates at their highest levels in decades, the central bank has come

under attack; from the Conservative leader calling for the firing of the bank’s governor, to premiers writing letters asking for restraint the fight against inflation. Even the finance minister publicly expressed relief as the BoC kept rates unchanged before quickly adding that she fully respects the central bank’s independence.

While monetary policy benefits from a plurality of views, comments from politicians are unhelpful as the appearance of political meddling can undermine the central bank’s credibility and effectiveness. Monetary policy needs to be independent as it has been shown over many countries and years that elected officials have an “inflation bias”; i.e., an incentive to stimulate going into an election, and not be forceful enough to lower inflation when required. Therefore, while explicit policy recommendations should be avoided, discussions should be welcomed to improve the monetary policy framework.

Similarly, many observers have called for lower interest rates in light of the impact on consumers. However, low inflation—as defined by the target—is the Bank of Canada’s policy objective. And as harsh as it may sound, it is not the role of the central bank to bail out borrowers who over-leveraged themselves when interest rates were low and have to face much higher payments now that interest rates have normalized. The BoC will only act if the situation leads to weaker growth and increased

slack in the economy, which could push inflation below target.

The inflation-targeting framework implemented by the BoC, developed in agreement with the federal government, directs the decisions of the bank, and has had a positive record since its inception in the 1990s. Is it perfect? No. However, just because it isn’t broken doesn’t mean there isn’t room for improvement.

Does aiming for two per cent inflation still make sense? Some commentators during the recent inflationary episode questioned whether the target should be higher. However, this suggestion often comes with the view that, had the BoC target been higher, the central bank wouldn’t have needed to increase interest rates so aggressively. This view is fundamentally flawed since a higher inflation target would have been incorporated into the inflation process via inflation expectations, meaning that inflation would have been higher to start with, likely requiring the same amount of tightening.

However, this is not to say that we shouldn’t discuss an optimal level of inflation. Inflation is to the economy what oil is to an engine: too little can be as damaging as too much. Some inflation allows for a nominal adjustment to shocks rather than via the real economy. What is the sweet spot, then? It is unlikely to be below zero per cent, and is very likely below five per cent.

Some have argued that the BoC should have a broader mandate beyond inflation target-

ing, such as a full employment mandate; however, this has the potential to complicate decisions if both mandates suggest conflicting policies. Another possibility is to broaden the inflation objective beyond the current narrow focus on CPI inflation to include asset price inflation, credit aggregate growth, or other nominal variables. Since the inception of the inflation-targeting framework, private indebtedness levels and many asset prices have risen sharply. As this situation has led to important consequences for the economy—and likely unintended consequences of inflation targeting—further consideration could be necessary.

Although whether an explicit broadening of the mandate is needed is far from clear, the current circumstances support the need for flexibility in monetary policy frameworks; this would allow the BoC to consider—at least implicitly—a broad array of considerations without being hamstrung by added policy constraints.

After all, as monetary policy is more of an art than a science, it cannot be reduced to a simple Taylor rule.

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The Hill Times

Banking and Monetary Policy Policy Briefing

Canadians need more assurance and enablement in financial services

The consumer-driven banking framework will help Canadians manage their credit cards, apply for loans, and save for their futures much more easily.

Scott
Talbot

Opinion



Whether it's a payment, an account opening, or applying for a loan, Canadians want all aspects of their personal finances to run smoothly and securely. It is a reasonable instinct. Budgeting for everyday goods and services is complicated by high prices. Saving for a down payment—for those fortunate enough to consider home ownership—requires

steely discipline. And planning the investments that can support a retirement involves more effort than ever.

While Budget 2024 earned attention for targeting housing affordability, it also introduced a framework for financial services manageability. By laying out the rules for consumer-driven banking—a secure way to share financial data with trusted partners—Canadians will benefit from seeing their full financial picture in one place, increased competition, and new products and services.

Setting the stage for consumers to integrate their financial lives is a welcome development. Canadians are generally well-banked, but many have several relationships with different banks, credit unions, and fintechs. So, it is still a challenge to manage the entirety of one's financial life. Under consumer-driven banking, individuals will have the option to choose where and how their financial data is shared, allowing them to think about their finances holistically while giving them granular control over which offerings best fit their needs.

Once Canadians can more easily link accounts or share their data, consumer-driven banking will immediately and materially improve their finances. By making rules that allow Canadians to safely share their financial data with banks and fintechs, it will allow for improvements and the creation of new products and services as banks and fintechs evolve their business models to accommodate a data-rich ecosystem.

The consumer-driven banking framework will help Canadians manage their credit cards, apply for loans, and save for their futures much more easily. The top prize for consumers is that consumer-driven banking will allow financial institutions and fintechs to develop bespoke solutions for them. Per an unsurprising Deloitte report, this is of great interest to a consumer base seeking lower rates on loans, financial products based on their individual spending behaviours, and personalized tools and products that improve financial health.

Consumers will also benefit from new rules that provide legal certainty and predictability to all financial transactions and

data-sharing. Clear regulations and integration with existing laws will further buttress this already well-regulated sector. The regime is the foundation for a consistent customer experiences as financial services companies will be able to collaborate more easily given clear consumer protection guidelines. Further, built-in interoperability with financial systems around the world will ensure that Canadians enjoy globally competitive services.

When these measures are implemented, we will also enjoy new services that allow for more useful credit scores, and more robust financial-planning products. This convenience will come at no cost. Thanks to clear consent mechanisms, individuals can choose which financial information to share and with whom. These rules will incentivize banks and fintech startups to collaborate, thereby enabling the competition and new products that will help Canadians to realize their financial aspirations.

In a more competitive marketplace, financial services providers will naturally respond to provide improved offerings

to consumers. The benefits of greater competition are already evident in the United Kingdom, which has already created its own consumer-driven banking regime. British consumers can easily personalize their budgeting and saving through apps which offer a consolidated view of their paycheques, expenses, loans, and investments. They can also automate paying bills and invoices from designated accounts on their due dates, which can reduce or eliminate late fees. British savers can also authorize funds to move automatically between accounts to optimize earned interest and benefit from comprehensive financial planning services that automatically save and invest on their behalf.

This reality is close for Canadians. Ultimately, innovative financial services regulations and a modern payments infrastructure are important policy measures that reduce friction in the economy. Ottawa must not delay in providing fintechs and incumbents the forward guidance needed to create the products and services that will help Canadians navigate their finances and achieve their financial goals.

Scott Talbot is the executive vice-president of the Electronic Transactions Association, the world's leading advocacy and trade association for the payments industry.

The Hill Times

A look at inflation, banking, and monetary policy in Canada

There have always been conflicting objectives for the financial and monetary sides of the economy.

Mehmet
Dalkir

Opinion



The absolute adverse effect of inflation is that it wipes out real earnings, reducing purchasing power for all Canadians. This is bad. Maybe more sinister than that is the relative effect. Inflation distorts relative income and expenditure between individuals. Inflation is measured as the average increase in consumer prices. However, individual prices increase with different rates. This imbalance changes the relationship between income

and expenditure. My wage may be increasing slower than my expenditures, and the prices of expenditure items change with different rates. This adds an additional task for households: shopping lists must be rewritten and re-balanced; and spending plans need to be revised in the face of uncertain price hikes. Same for businesses, large and small: production plans should be reassessed, investment plans should be reconsidered, and—in the worst case—withheld.

Let's face it: Canada has an oligopolistic structure in most industries—banking, retail, airlines, telecommunication, to name a few—with a few large firms in each industry. One good feature of an oligopolistic market structure for consumers is the price wars: firms cutting their price below the competitors in an attempt to increase market share. However, in a high inflationary environment, the pressure is upward—not downwards—with firms increasing prices at least as much as the competition, and sometimes overshooting, generating further

inflation. So the problem is the industry structure as well as financial. The government may act to impose more competition into the markets that are oligopolistic. The invitation by the Liberal government to bring in more grocery retailers is a good first step in that respect. The threat even before the action may lead stabilization of the retailer prices.

The Bank of Canada (BoC) has been on the one to three per cent inflation band since 1996, which is earlier than most central banks. The inflation rarely went out of the band. Admittedly, the problem during the second decade of the 21st century was that the lower band would be compromised, not the upper band. When the 2008 crisis hit, the financial shockwaves were thought to ruin the inflation targeting policy. That didn't happen. When the aftermath of the pandemic broke the upper band towards two-digit figures, the anxiety rose to panic levels.

The 2008 financial crisis proved that the bank's inflation-targeting policy was not

tailored only for good times with no inflationary or deflationary pressures. Now that the runoff inflation is mostly under control, once again the policy comes out as a success. I do not think that there needs to be any further changes in terms of the inflation targeting policy.

However, there have always been conflicting objectives for the financial and monetary sides of the economy. A fiscal expansion—such as the Canada Emergency Response Benefit payments during the pandemic—increases government debt, and, consequently, borrowing. Interest rates go up, and the crowding-out effect—despised by private investors—is generated. A common remedy is monetary expansion, which would fix the crowding, but double expansion feeds inflation even further. In the independent central bank's case, the monetary expansion is avoided, and sometimes a monetary contraction may be used to suppress inflation. This last scenario was exactly what happened post-pandemic: the BoC went against the inflation and contracted the credit chan-

nel by increasing the policy rate, which is usually adopted as their prime rate by the banking sector. For Canada, the appearance of political influence on the BoC is a non-verified myth. If that were the case, we would see the policy rate fall rather than a persistent rise and hold, despite worries of an upcoming recession. To avoid the urban myth of political influence, the BoC has to do nothing other than continue its adamant stand against inflationary pressures.

One common misconception is that the BoC—as an institution of the executive branch—always follows in the government's footsteps and increases liquidity just before the elections for the illusion of prosperity, and then squeezes liquidity after the election to avoid an indispensable inflation. This perception was formed throughout the 20th century, and is challenging to alter. This assumed cohesion between the political cycle and the monetary cycle is not in the 21st century Canadian economic data. It takes decades to change misconceptions formed in the past, but this illusion of the BoC serving the whim of the government in power will diminish eventually.

Mehmet Dalkir has worked as a professor of economics at the University of New Brunswick since 2005. His concentration areas include macroeconomics and financial economics.

The Hill Times

Budget capital gains reform will boost investment

The prospect of paying tax on a gain does not remove the incentive to buy an asset you expect to rise in value, writes Erin Weir. *Pexels image by Monstera Production*



Collecting more revenue from the largest gains on sales of existing assets while offering greater incentives to create new assets is a smart economic strategy.

Erin Weir

Opinion



A chorus of doom claims that applying income tax to somewhat more capital gains will chase away investment and doctors. A closer look suggests the modest tax reform in the April 16 federal budget will increase productive investment, while continuing to favour doctors over wage earners.

Capital gains come from reselling an asset for more than its purchase price. Budget 2024 expands the portion included in taxable income from one-half to two-thirds. Even at two-thirds inclusion, the top federal-provincial tax rate on capital gains will be 35 per cent—less than the United States federal tax rate of 40 per cent for capital gains currently proposed by President Joe Biden.

The change applies to all corporate capital gains, but only to personal capital gains above \$250,000 annually. Just one Canadian in a 1,000 exceeds that threshold.

Some high-income professionals such as doctors incorporate their practices to avoid or defer paying personal income tax. But no more than one Canadian in a 100 owns a corporation that receives capital gains. These owners can still make personal investments outside their corporations to access the lower rate under \$250,000.

The prospect of paying tax on a gain does not remove the incentive to buy an asset you expect to rise in value. A higher inclusion rate also boosts the tax deduction from capital losses, which makes investment less risky.

Additional tax revenue from capital gains will help to pay doctors and contribute to education, research, and infrastructure. Such public investment bolsters Canada's capital stock and economic productivity.

The effect on private investment depends on how capital gains arise. Most come from selling real estate or company shares.

It is not obvious why income from buying and selling property, precious metals, cryptocurrency, etc., should be taxed less than employment income. Without controversy, Budget 2022 applied income tax to all gains from buying and selling real estate in the same year. But for an asset held

longer, some appreciation reflects inflation.

Over the past decade, the consumer price index rose about 25 per cent while Canada's average home price jumped about 100 per cent. By exempting at least one-third of capital gains, the new policy more than allows for the one-quarter of real estate appreciation that covered inflation. The three-quarters that were a boon to property owners remain completely exempt for primary residences, and not fully taxable for investment properties.

Buying and selling company shares also provides speculative gains and losses. A difference is that some appreciation in share prices represents accumulated profits, some of which were already subject to corporate tax.

When a Canadian company pays dividends to Canadian shareholders, a personal tax credit compensates for corporate tax. The credit exempts one-third of the dividend from top income tax rates. But shareholders prefer to receive capital gains that are half exempt.

This tax discrepancy encouraged companies to buy back their own shares to create capital gains, rather than investing in productive assets to generate dividends. By equalizing tax on capital gains and dividends, Budget 2024 removes the artificial incentive to repurchase shares. That makes existing Canadian companies more likely to invest in productive assets instead.

But what about new businesses? One motive to start a business is to sell it. Does taxing capital gains discourage entrepreneurship?

The lifetime exemption for capital gains from selling small-business shares and farming or fishing property allows entrepreneurs to make their first \$1-million tax-free. Budget 2024 enlarges this lifetime exemption to \$1.25-million—a gift to all business owners, including doctors who sell their practices.

The budget also phases in a new Canadian Entrepreneurs' Incentive that exempts two-thirds of capital gains up to a further \$2-million for the founding investors of eligible businesses. These generous tax breaks make starting enterprises in Canada even more lucrative.

Taken together, the reforms will add about \$5-billion of federal revenues, and \$3-billion of provincial revenues annually from the most fortunate among us. But doctors and other well-paid professionals will keep using corporations to shelter much of their compensation from personal income tax.

Collecting more revenue from the largest gains on sales of existing assets while offering greater incentives to create new assets is a smart economic strategy. This approach will boost investment by funding public capital, by diverting less corporate capital to share repurchases, and by augmenting the payoff for business startups.

Erin Weir is a consulting economist and former Member of Parliament.

The Hill Times

Canada can solve its productivity 'emergency'—we just need politicians on board

Governments have other options, like scrapping interprovincial trade barriers and allowing foreign competition.

Jake Fuss

Opinion



According to Carolyn Rogers, senior deputy governor of the Bank of Canada, it's time to "break the glass" and respond to Canada's productivity "emergency." Unfortunately, the country is unlikely to solve this issue any time soon as politicians are doubling down on the policy status quo rather than making sorely needed reforms.

Worker productivity—the level of output in the economy per hour worked—is a crucial indicator of a country's underlying economic performance. When productivity increases, we not only increase our output and efficiency, but worker wages typically rise, as well.

According to Statistics Canada, the country's productivity dropped for six consecutive quarters before eking out a small gain in the final quarter of 2023. Rogers is right: this is an emergency, and it's unsurprising that living standards for Canadians are falling alongside our productivity. Since the second quarter of 2022 (when it peaked post-COVID), inflation-adjusted per-person GDP (a common indicator of living standards) declined from \$60,178 to \$58,111 by the end of 2023—and declined during five of those six quarters, now sitting below where it was at the end of 2014.

Policymakers are slowly acknowledging the problem, but their proposed solutions are troubling. Federal Finance Minister Chrystia Freeland, for instance, recently emphasized the importance of making "investments in productivity and growth." Yet, the federal government increased taxes on capital gains in its recent budget, which will disincentivize investment in Canada. Usually, when a politician says the word "investment" this is a fancy way of saying we need more government spending.

And in fact, more government spending appears to be the

popular solution to every problem for most governments in Canada these days. Canadian premiers and the prime minister already support this approach in health care even though it's been tried for decades. The result? In 2023, the longest wait times for health care on record despite having the most expensive system (as a share of GDP) among high-income universal health-care countries.

And now, these same policymakers are advocating for the same approach to boost productivity—that is, throw taxpayer money at the problem and hope it will somehow go away.

But there's hope: governments have other options. For starters, governments from coast to coast could eliminate interprovincial trade barriers, which limit productivity improvements by—among other things—shielding inefficient local businesses from competition from companies in other provinces. Governments also effectively prohibit the entry of foreign-owned competitors in crucial industries such as telecommunications and air travel. There's less incentive for Canadian firms to innovate or improve when there's no threat to shake things up.

Moreover, if governments reduced regulatory red tape and subsequent compliance costs, firms could allocate more resources towards training their workers, investing in equipment, and producing new and better products. And if governments reduced tax rates on families and businesses, they could make Canada more attractive to productive businesses, high-skilled workers and investors. Our current relatively high tax rates on capital gains, personal income, and businesses income discourage capital investment, and scare away the best and brightest scientists, engineers, doctors, and entrepreneurs.

The Trudeau government and other governments in Canada seemingly want to spend their way out of our productivity emergency. While some level of government spending can help improve productivity, continued spending increases reallocate resources from the private sector to the government sector, which is by nature less productive. Governments should impose credible restraints—i.e. fiscal rules—on the growth of government spending to prevent this crowding out of private-sector investment.

There are plenty of ways Canada can boost productivity. We just need policymakers to be on board.

Jake Fuss is director of fiscal studies at the Fraser Institute.

The Hill Times

Opinion

Canada urgently needs an equitable immigration system

It is important that we prioritize and support undocumented people from marginalized backgrounds instead of excluding them with unfair requirements.

Yogendra Shakya & Axelle Janczur

Opinion



Canada has long been enriched by the contributions of migrants who come to our country seeking opportunity, refuge, and a better future. Migrants, whether permanent or temporary, play a crucial role across sectors like agriculture, hospitality, health care, construction, and arts and culture, and bring diverse perspectives and value. However, despite their important contributions, unfair immigration policies push many temporary migrants—including temporary foreign workers, refugee claimants, and international students—into becoming undocumented.

Once undocumented, their rights, access to services, and pathways to permanent residency



Immigration Minister Marc Miller holds a press conference in the National Press Theatre on Feb. 29. It is time for Canada to build a truly inclusive immigration framework that promotes the dignity and well-being of all migrants, regardless of their status, write Yogendra Shakya and Axelle Janczur. *The Hill Times* photograph by Andrew Meade

are severely restricted, leaving them vulnerable to exploitation. It is time for Canada to build a truly inclusive immigration framework that promotes the dignity and well-being of all migrants, regardless of their status.

In 2021, Prime Minister Justin Trudeau issued a mandate letter to the immigration minister “to further explore ways of regularizing status for undocumented workers,” and to “expand pathways to permanent residence for international students and temporary foreign workers.” This was in response to tireless advocacy from migrant rights organizations from across Canada, like the Migrant Rights Network (a national alliance of more than 30 organizations), Canadian Council for Refugees, and others.

Unfortunately, the immigration minister has been dragging his feet on this matter. What’s more, since 2021, the Canadian government has made the problem worse by bringing in “unprecedented” numbers of temporary residents without providing them effective protections and services, or offering them equitable pathways to permanent residency. The number of temporary residents has almost doubled from 1.38 million in 2021 to 2.66 million by the first quarter of 2024. The Migrant Rights Network estimates that there are more than half a million undocumented people in Canada.

Instead of pursuing regularization, Canada has deported 23,000 undocumented people since 2021 costing taxpayers \$111-million—

the highest deportation rate since 2012.

Recent reports highlight a concerning trend: temporary and undocumented residents are facing increased levels of discrimination, exploitation, and extremely difficult economic and housing conditions. The stories of precarious migrants facing untimely deaths are heartbreaking.

It is time to embrace a new vision of immigration. Rather than viewing it as a strategy to meet short-term labour market or demographic needs, we must recognize its key role in building a more equitable world, grounded in shared well-being. The 2021 mandate letter on regularization offers a stepping stone to develop a progressive immigration system.

Canada has implemented regularization and permanent residency fast-tracking programs a number of times in the past. However, these have been limited in scope with many conditions. The success of broad regularization programs in Italy, Spain, and Germany highlight that inclusive large-scale regularization—including at a scale of 500,000 people or more—is not just feasible, but offers long-term benefits to migrant families and the host countries. Canada needs to expand on this success.

The Global Compact for Safe, Orderly, and Regular Migration (GCM) led by the United Nations Network on Migration can serve as a guidepost for an inclusive human rights-based immigra-

tion framework. The GCM calls on member states to ensure the “protection and fulfillment of the human rights of all migrants, regardless of their migration status, across all stages of the migration cycle.” It also emphasizes the need to expand pathways for safe and regular migration, especially for vulnerable migrants. In 2020, Canada signed on to become a “champion” country to implement the GCM.

We urge the Canadian government to honour the GCM commitment and its mandate on regularization. We call on the immigration minister to urgently enact comprehensive regularization so that no undocumented person is left behind. It is important that we prioritize and support undocumented people from marginalized backgrounds through the regularization process instead of excluding them with unfair requirements that they are barred from engaging in. At the same time, we need to build accessible pathways to permanent residency for temporary migrants; and irrespective of whether they apply for permanent residency or not, it is crucial that all temporary migrants are supported with equitable rights, protections, and services.

This is what migrant justice organizations, settlement agencies, labour unions, and advocates across Canada have been calling for. This is the necessary path that Canada needs to take to become a global champion for legislating an equitable and just immigration system.

Yogendra Shakya is a research and policy analyst focused on migrant issues. Axelle Janczur is the executive director of Access Alliance Multicultural Health and Community Services.

The Hill Times

Let’s improve our understanding of how we nominate candidates, and pass S-283

Continued from page 10

and reported to the House of Commons on a timely basis after federal elections and leadership contests.

Second, the new law would require Canada’s major political parties to report on what rules, programs, or policies they have in place to achieve candidate diversity. Parties would need to disclose whether they have set targets in respect of women candidates, rules with respect to nominating women in ridings where the party is incumbent, or rules for nominating women in “stronghold” ridings. These measures are similar to those required since 2020 of federally incorporated public companies who must report to shareholders their efforts to increase

board and senior management diversity.

Where diversity is increasing in other Organisation for Economic Co-operation and Development countries, Canada is falling behind. For example, with a little more than 30 per cent women Parliamentarians, Canada now lags other Commonwealth countries including Australia, New Zealand, Rwanda, and the United Kingdom. According to the Inter-parliamentary Union, over the last 20 years Canada’s global ranking for women in politics has dropped significantly. In 2004, Canada ranked 33rd for women in national parliaments. In 2024, we’ve plummeted to 64th.

Relative to their shares of the population, Indigenous people, Canadians who identify as Black or as a person of colour, and LGBTQ+ people are also un-

derrepresented in the House of Commons.

Dasko’s call to collect and publish more diversity data is based on sound evidence and expertise.

In his June 2022 report to Parliament, Chief Electoral Officer Stéphane Perrault noted the need for high-quality information about all participants in the electoral ecosystem, and not just for elected members. He called for new legislation that would allow Elections Canada to collect—on a voluntary basis—anonymized demographic data about political participants.

The House of Commons Standing Committee on the Status of Women’s April 2019 report recommended that the Government of Canada make changes to allow—with candidates’ permission—the collection of intersec-

tional data on candidates in nomination races, including data on gender identity. In her testimony to the committee, co-author Jeanette Ashe noted parties are the main gatekeepers to Parliament with party selectors and officials disproportionately picking men.

The timing of Dasko’s bill is fortuitous as the government recently introduced Bill C-65, An Act to Amend the Elections Act. While Bill C-65 does not contain provisions related to diversity, it does open the Elections Act in a government bill, providing an opportunity to make these changes at committee stage. Dasko’s bill is in sync with public sentiment with a recent poll showing most Canadian support having more women in politics.

The drop in Canada’s international standings in gender and diverse political representation is

concerning. Bill S-283 is a modest but necessary step to stop this downward trajectory. Senators should pass this bill to second reading so it can be referred to a committee for hearings in the fall. The time to act is now.

Dr. Jeanette Ashe holds a PhD from the University of London, teaches politics at Douglas College, and is visiting faculty at the Global Institute for Women’s Leadership, King’s College, London, U.K. Her research focuses on political recruitment and gender- and diversity-sensitive parliaments. Dr. Tracey Raney is a full professor in the department of politics and public administration at Toronto Metropolitan University. Her research focuses on Canadian politics, women and politics and gender-based violence in politics.

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News

Canada's pledged forced labour bill should follow U.S. example banning Xinjiang imports, says Uyghur advocate

Since banning imported goods made with forced labour in 2020, Canada has yet to stop a single shipment.

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The United States Congress passed the Uyghur Forced Labor Prevention Act in 2021. The law treats all goods manufactured in the Xinjiang region of China as being made through forced labour, and places an onus on companies to prove what is being imported is not produced through forced labour.

In the 10 months from June 2022 to April 2023, U.S. border authorities seized \$961-million of goods made with forced labour, according to a CNBC report.

On the flip side, Canada hasn't stopped a single shipment of goods produced from forced labour.

Despite banning forced-labour imports when Canada's renegotiated North American trade deal came into force in 2020, the Liberal government has been under fire for having no examples of stopping the imports from crossing the border.

A recently tabled response to an Order Paper question from Bloc Québécois MP Simon-Pierre Savard-Tremblay (Saint-Hyacinthe-Bagot, Que.) revealed that, as of Feb. 28, the Canada Border Services Agency (CBSA) has still only seized a single shipment of goods using the customs tariff that bars "goods mined, manufactured, or produced wholly or in part by forced labour." That seizure was subsequently overturned on appeal.

A Uyghur advocacy group is hoping that Canada will follow the example of its southern neighbour and treat all goods produced in Xinjiang as being made with forced labour except otherwise declared.

"Any projected bill should be compatible with U.S. law," said

Mehmet Tohti, executive director of the Uyghur Rights Advocacy Project.

A region-wide ban would allow companies to gain an exemption if they can prove that products aren't made through forced labour, said Tohti, adding there should also be corporate accountability tied to the legislation with penalties imposed on companies that benefit from forced labour.

Conservative Senator Leo Housakos (Wellington, Que.) introduced Bill S-204 in November 2021, which bars all goods produced in Xinjiang. It was last debated at second reading in May 2022.

A 2022 report from the United Nations special rapporteur on contemporary forms of slavery found that it is "reasonable to conclude" that forced labour was taking place in Xinjiang.

China rejects all accusations of forced labour being used in Xinjiang.

In the 2023 budget, the government indicated that it would introduce legislation to address forced labour "by 2024." In the most-recent budget, which was tabled by Deputy Prime Minister and Finance Minister Chrystia Freeland (University-Rosedale, Ont.) on April 16, the funding plan indicated that the government "reaffirms" its commitment to table a bill to target forced labour "in 2024."

Since the plan to table new legislation was revealed in the 2023 budget, Bill S-211 became law with the support of the Liberals and Conservatives. The bill, which was sponsored by Independent Senator Julie Miville-Dechêne (Inkerman, Que.), requires certain businesses to submit an annual report to address what has been done to "prevent or reduce the risk" of forced and child labour being used.

The government plans to add enforceability to the new reporting obligations in its planned bill to prevent forced labour.

"We will table strong government legislation by the end of 2024 to eradicate forced labour from Canadian supply chains, no matter

where it comes from," said Hartley Witten, press secretary to Labour Minister Seamus O'Regan (St. John's South-Mount Pearl, N.L.).

"Our government legislation will build upon the important transparency measures in Bill S-211 by ensuring that Canadian law not only has the tools to identify these goods, but has the teeth to act on them," Witten said in a statement.

Miville-Dechêne said her bill is an "important first step" for companies to be vigilant of what is occurring in their supply chains.

"I welcome the will of the government to go further. Modern slavery is a blatant violation of human rights, and Canada should make every effort to tackle this issue. Eradicating forced labour and child labour should be a priority," she said in an email.

Miville-Dechêne remarked that Canada has a "serious problem" enforcing the forced labour ban, citing that only a single shipment was seized and subsequently released.

"The U.S. is much more active and successful on this front. Canada doesn't want to become a destination for those containers which have been stopped by U.S. border agents," she added.

Last month's budget cites that Canada is "gravely concerned by the ongoing human rights violations against Uyghurs and Muslim minorities in China, as well as by the use of forced labour around the world."

Sheri Meyerhoffer, the Canadian ombudsperson for responsible enterprise (CORE), found in a March report that Canadian mining company Dynasty Gold Corporation "contributed to the use of forced labour through its joint venture partners" in Xinjiang. The company denied any wrongdoing, asserting that CORE doesn't "have any evidence of us using forced labour," according to a Canadian Press report.

Tohti said the new bill should distinguish between state-sanctioned forced labour and forced labour by corporations.

"In Canada there is an ongoing approach to put everything



The 2024 budget renewed Labour Minister Seamus O'Regan's plan to table legislation targeting forced labour by the end of this year. *The Hill Times* photograph by Andrew Meade

in the same basket without any distinction," he said, remarking that a policy of due diligence to weed out forced labour won't work when governmental policy is behind the forced labour. "They can fabricate and they can prepare a staged show or Potemkin village for any due diligence investigation."

Tohti said without a distinction between corporate-backed forced labour versus state-sponsored forced labour, he is "not optimistic" about the bill's future, remarking that the flexible timeline is also a concern as the House may not look into the bill until next winter when attention is on the looming election, which must take place by October 2025.

He said that a bill based on the U.S. model should be tabled before the summer adjournment this June to allow Parliamentarians to start looking at the bill in September or October, which could allow for passage by the end of this year.

"Otherwise, the government's promise to eradicate forced labour from the Canadian market in 2024 is an empty promise," he said.

Tohti said that Canada has an enforcement issue: there are existing provisions against forced labour imports, including under the North American trade pact, that are going unaddressed.

"There's no will in Canada to take that action," he said. "There is no determination on behalf of the CBSA to take this issue seriously."

Tohti said the provisions of Bill S-211 around corporate accountability are "weak" as it targets companies that have at least 250 employees and \$20-million or more in assets.

"It leaves the door open for smaller businesses or parcel-shipment businesses," he said.

Karen Hamilton, director of human rights project Above Ground and chair of the Canadian Network on Corporate Accountability's steering committee, said she's hoping the proposed bill goes further than one that is regionally targeted.

"What we're calling for is strong due diligence that doesn't

have a focus on forced labour," she said, remarking that an example should be the European Commission's Corporate Sustainability Due Diligence Directive, which creates metrics for imports avoiding adverse human rights and environmental effects. "We have been encouraging the government in its efforts to reduce forced labour to consider broader and stronger measures to what it currently seems to be proposing."

NDP MP Peter Julian (New Westminster-Burnaby, B.C.) has a current bill that centres on corporate responsibility and due diligence. Bill C-262 was introduced and had its first reading in March 2022.

The bill would allow those adversely harmed in foreign countries to sue corporations in Canadian courts.

Hamilton said if the government "effectively enforced" its ban on imported goods made with forced labour, it would "dramatically reduce" the goods made with that labour entering into Canada.

"We would like to see measures that exist already be evaluated and strengthened, not just adding an additional piece of legislation, which will not be enforced, or not get us closer to the goal of ending forced labour," she said, remarking strengthening the import ban rests on enforcing it, and not passing new legislation.

She said with the budget keying in on human rights violations in Xinjiang, it forecasts that the government is trying to tackle state-imposed forced labour coming from China.

"It would address the problem, but it would be one problem. It wouldn't address the broader context within which that problem is occurring in parts of the world outside of that one area of the world," Hamilton said.

"It does leave a big gap of other abuses that aren't being addressed at a time when we see other jurisdictions moving further along," she said.

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Liberal housing strategy will need ‘both carrots and sticks’ to break through affordable housing stalemate: observers

The Liberals should abandon the idea of public lands as a revenue resource and go-all in on affordability, says CHRA’s Ray Sullivan.

Continued from page 1

“pluck opposition critiques” for their own benefit, say observers. But without more sticks to pair with the healthy dose of carrots on offer to spur housing construction, the Macdonald Laurier Institute’s Aaron Wudrick says it may not be enough to overcome the perverse incentives already blocking development.

While the Liberals spent the lead-up to the April 16 tabling of the 2024 budget trumpeting initiatives to tackle housing affordability by building an additional 3.87 million homes by 2031, a significant pillar of its strategy—the Public Lands for Homes Plan—was withheld until the day of.

The plan aims to “unlock” federally owned land to build an additional 250,000 new homes by 2031. This includes granting \$500-million over five years to Public Services and Procurement Canada (PSPC) to purchase land from municipal and provincial governments, and \$112.6-million for the Canada Mortgage and Housing Corporation (CMHC) for affordable housing providers to build up to 1,500 new homes, including 600 affordable units. PSPC will also be provided with \$15-million over five years to work with Infrastructure Canada to create a new Public Land Bank to inventory all available federal land by this fall.

To manage the development of all of that land, the budget also provided \$5-million over three years to overhaul Canada Lands Company (CLC), the Crown corporation responsible for managing property on behalf of the federal government. As part of the reforms to CLC’s mandate, it will now be able to provide long-term, low-cost leases for housing providers, receive transfers of land from the federal government for \$1 “whenever possible,” and begin work with other Crown corporations to develop surplus land as well as underutilized or

The recent budget highlights plans to assess underutilized or actively used federal buildings and properties, like 1500 Bronson Ave., in Ottawa. Photograph courtesy of Wikimedia Commons



actively used properties for housing developments.

Several of the properties—such as Canada Post buildings and former National Defence properties—are already being developed by Canada Lands Company, including the Village at Griesbach in Edmonton, the Wellington Basin in Montreal, and Wateridge Village in Ottawa.

In an interview with *The Hill Times*, CLC president and CEO Stéphan Déry said that while the company doesn’t build homes itself, it “aims to develop thriving communities” by developing the land, building sewers and roads, landscaping, and decontaminating “brown fields” near former military sites when needed. CLC also works with municipalities to design concepts and acquire rezoning or permitting to fast-track developments.

Since 2016, CLC has enabled the construction of more than 10,300 homes on surplus federal land. Still, Déry explained that its expanded mandate as detailed in the budget would allow it to work on underutilized land to expedite and maximize its operations to build more than 29,200 homes over the next five years.

Déry said the changes would simplify CLC’s interactions with other Crown corporations like Canada Post; before, CLC would have needed to seek special permission to do business with them to acquire their surplus land.

Budget 2024 announced that the government plans to assess the potential of building housing on six Canada Post properties, including three in Quebec, two in British Columbia, and one in Alberta.

The combination of having more land to choose from and more direct interactions with oth-

er Crown corporations will allow CLC to build affordable housing “above, around, and inside” federal buildings without disrupting day-to-day operations, Déry said.

While Prime Minister Justin Trudeau (Papineau Que.) originally pledged to repurpose federal land for housing in 2015, some commentators noted parallels between the Liberals’ recent budget initiative and the Conservatives’ proposed Building Homes Not Bureaucracy Act, particularly the proposal to sell 15 per cent of the federal government’s real estate holdings within a year and a half of its passage.

Conservative Leader Pierre Poilievre (Carleton, Ont.) introduced the private member’s bill, C-356, on Sept. 20, 2023, and it’s currently at second reading in the House.

Aaron Wudrick, director of the MLI’s domestic policy program said he thought it was a “healthy” to see the Liberals “plucking the best of opposition critiques” for themselves, and demonstrating they had finally gotten the message—if belatedly—that housing will be the “blockbuster issue” in the upcoming election.

“The Liberals have definitely stepped up their game,” Wudrick said, adding that despite the flattering imitation, the Liberals’ plan still demonstrated an “overemphasis on carrots rather than sticks.”

“The Liberals love carrots, but they’re much more averse to using sticks,” Wudrick said, noting that while Poilievre has been more vocal about his willingness to use both, “that’s easier to say when you’re in the opposition and don’t have to pull out either.”

Wudrick said it was good to reward provinces and municipalities when they build more homes,

but sticks are a lot less expensive than carrots.

Additionally, Wudrick said that the carrot approach was far less effective at addressing the “perverse incentives” usually found at the municipal level, where city councillors would rather forgo bonus money to keep voters who may oppose increased development happy.

Conversely, if that same councillor is met with the prospect of losing funding and failing to meet other commitments to those voters, “it raises the stakes if they think they might not get a community centre without more housing.”

Wudrick said the second main difference is that the Liberal plan centres on keeping the federal government involved and marshalling more of its resources to solve the problem, pointing to the proposed long-term lease agreements and plans to acquire land from provincial and federal governments.

The length of the leases—with proposals for leases as low as \$1 for up to 99 years—may not be a problem, but Wudrick said he isn’t sure how many developers would accept that offer.

“Most developers are happy to pay \$10-million for a parcel of land if they think they can make \$20- or \$30-million later,” Wudrick explained. “Even if you only paid \$1 for the land, the fact that you don’t own it will undermine that incentive.”

Wudrick said he understands the government’s goal of ensuring the longevity of affordable housing while maintaining the development’s economic benefits. However, the nature of the housing crisis means the government “needs to choose” to either keep the land or sell it.

Similarly, Wudrick said that the federal government should be looking to provide incentives for other levels of government to sell their land as well, rather than attempting to acquire it themselves.

“The federal government’s role should be to sweeten the pot and try to overcome these perverse incentives at the municipal level,” Wudrick said. “That would be a better use of resources than trying to have the federal government acquire it and then try to funnel it through its own leasing program.”

Ray Sullivan, executive director of the Canadian Housing and Renewal Association, also told *The Hill Times* that he would have liked to see the federal govern-

ment offer incentives to other levels of government.

“I worry a little bit about adding too many transactions and slowing down the process,” Sullivan explained, adding that he would have preferred to see the offer of federal incentives for the value of the land that would be given to provincial and municipal governments on the transfer of their land, “hopefully to a not-for-profit.”

Sullivan applauded the budget’s “substantial commitment” to increasing access to affordable housing, noting that the additional funding for the Federal Lands Initiative represented a nearly six-fold boost from the funding available when the national housing strategy was created in 2017.

Sullivan said the federal government’s change in attitude toward the land it owns is particularly important, especially as it relates to not only its declared surplus land, but also what affordable housing researcher Carolyn Weitzman calls “lazy land.” Sullivan explained that many federal buildings that are still in use sit on land with empty fields or large underutilized parking lots that can be rezoned and redeveloped without disrupting the work being done inside.

In contrast to Wudrick, Sullivan said that the federal government should abandon the idea that lazy or surplus land should be a source of revenue.

“The federal government needs to forget the idea of selling it at market price, and instead put all of that value toward affordability,” Sullivan explained, noting that his organization had long advocated for the low-cost and long-term leasing model.

“This is a way for the government to retain the asset value of the land on its books and actually increase its value once someone builds housing on it,” Sullivan said. “That will improve the government’s financial position, and—in exchange—you can protect affordability for a very long time.”

However, while the housing initiatives in the budget have the potential to make a major impact on the affordability crisis, Sullivan said that the details and priorities of those initiatives will be tantamount.

“The ultimate question is ‘affordable for who?’” Sullivan explained, noting that while CLC’s mandate was updated last year to require 20 per cent of homes built on their land to be affordable, he felt that number was arbitrarily low.

“I have to ask, why only 20?” Sullivan explained. “Why not 50? Why not 100?”

Déry told *The Hill Times* that CLC used CMHC’s metric of “80 per cent of market trends” to determine affordability, and that the requirement of 20 per cent of units being affordable was a baseline when no other requirement existed.

“CLC has said we will do a minimum of 20 per cent because there are still municipalities that don’t have affordable housing requirements,” Déry said. “We want to build communities, so affordable housing has to be a part of that.”

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Books & Big Ideas

War raging on Earth threatens co-operation among the stars

The following is an excerpt from *Who Owns Outer Space? International Law, Astrophysics, and the Sustainable Development of Space*, one of five finalists for this year's \$60,000 Donner Prize.

BY MICHAEL BYERS & AARON BOLEY

Russia invaded Ukraine on 24 February 2022, sending tanks, artillery and some 200,000 soldiers into the country. As Ukrainians fought back, the United States and its allies adopted deep-reaching sanctions. Co-operation between Russia and Western states stopped abruptly, including in the UN Security Council where Russia holds a veto. Vladimir Putin went so far as to threaten the use of nuclear weapons if third states interfered in his 'special military operation.'

Some elements of international Space co-operation broke down immediately. Russia refused to launch a Soyuz rocket that was already on the pad in Kazakhstan with a payload of satellites owned by the British-Indian company OneWeb. It also cancelled all Soyuz launches from French Guiana, which had for years been conducted in partnership with the French company Arianespace. Then, the European Space Agency suspended plans to launch the ExoMars lander on a Russian rocket in September 2022 and stopped collaborating with Russia on the Lunar 25, 26 and 27 landers. At the UN, Russian diplomats postponed the first substantive session of a new Open Ended Working Group on Reducing Space Threats through Norms, Rules and Principles of Responsible Behaviours by raising a 'litany of procedural complaints.'

Nevertheless, despite these developments, other more established forms of Space co-operation continued, including on the International Space Station (ISS) and with Cospas-Sarsat.

International Space Station

On 18 March 2022, three Russian cosmonauts arrived on the ISS wearing bright yellow flight suits with blue trim, causing widespread speculation on social media that they were protesting the invasion of Ukraine. Both the Russian space agency (Roscos-



Who Owns Outer Space? co-author Michael Beyers. Handout photograph

mos) and the cosmonauts themselves denied the colours were chosen for this reason, and a US astronaut, Mark Vande Hei, also on board, later confirmed their account. But the idea that the suits were a protest still appeals to many, as the ISS is a powerful symbol of peace.

The most expensive structure ever built by humanity, the ISS has been continuously inhabited for more than two decades by Russian cosmonauts and Western astronauts. If you know where and when to look, you can see the ISS sail across the sky, even in light-polluted cities. This beacon of light is a reminder of what humanity can do when it chooses peace and co-operation over conflict and division. Indeed, the ISS was conceived largely as a peace mission.

Russia's involvement in the ISS helped to prevent the proliferation of expertise and technology to terrorists and rogue states following the dissolution of the Soviet Union, while giving Western states access to Russian expertise in long-duration spaceflight as well as reliable Soyuz rockets for resupply and crew rotations. Indeed, for nine years after the Space Shuttle program was shut down in 2011, Soyuz was the only way to access the ISS, including for American astronauts. Even during the Crimean crisis in 2014, the West and Russia co-operated on the ISS.

But the 2022 Ukraine War appears to be different, and it is not



Who Owns Outer Space? co-author Aaron Boley. Handout photograph

immediately clear whether Russian-Western relations in Space will remain as resilient as before.

When US president Joe Biden announced the first round of new sanctions against Russia on 24 February 2022, he emphasised that a ban on high-tech exports would 'degrade their aerospace industry, including their space program.' Dmitry Rogozin, the

director general of Roscosmos, responded by pointing out that the ISS is dependent on propulsion from Russian spacecraft, with regular boosts countering the effect of gas drag and preventing an atmospheric re-entry. 'If you block cooperation with us, who will save the ISS from an uncontrolled de-orbit and fall into the United States or Europe?' Rogozin wrote on Twitter.

While this tweet was written in Rogozin's typical bombastic style, it was not without substance. Should Russia (wilfully or otherwise) stop providing regular boosts, the other ISS partner states would have difficulty keeping the station in orbit. At a minimum, new equipment and procedures would need to be developed at breakneck speeds to prevent an uncontrolled re-entry.

All the ISS partner states, especially Russia, have invested too much money, effort and national prestige into the project to allow it to fail. Russian propaganda has suggested that the Russian modules might be detached, presumably forming their own Space station, but Roscosmos would

then have to replace electrical power currently provided by the rest of the ISS. This would probably require a new module—one that would take years to build and launch. Joining the Russian Space station is not an option, either, because of a ten-degree difference in the inclination of the orbits.

With these realities in mind, on 25 February 2022—just one day after Rogozin's threatening tweet—Russia quietly conducted a pre-scheduled boost: to raise the orbit of the ISS, not crash it into the ocean. The following week, Vande Hei made a pre-scheduled return to Earth in a Soyuz capsule, landing in Kazakhstan, before being whisked off in a NASA aircraft back to the United States.

Shortly after Vande Hei's return, Rogozin took to Twitter again, threatening to suspend ISS co-operation if Western sanctions are not lifted and stating that Roscosmos would decide on a date to end Russia's involvement. While tweets from the director general of Roscosmos cannot be ignored, it should be recognised that, just before Vande Hei and two Russian cosmonauts returned to Earth, three additional cosmonauts—the ones with the yellow flight suits—joined the ISS crew.

It is difficult to overstate the depth of the rift caused by the Ukraine War, or the dangers associated with it. The ISS will eventually be decommissioned and safely de-orbited. Russia might try to make that day come sooner than the United States would like, but it does not yet have another clear and achievable plan for maintaining a Russian presence in Space. Eventually Russia and China might forge their own path forward in low Earth orbit (LEO), and perhaps on the Moon, but for now some co-operation between Russia and Western states continues in Space, and not just on the ISS.

Cospas-Sarsat

Around the globe, individuals venturing into the wilderness are encouraged to carry satellite search-and-rescue beacons, while most ships and airplanes are required to be equipped with such beacons by law. The beacons save literally thousands of lives each year by taking the 'search' out of search and rescue. But they are only able to do so because of a unique international organisation that was created during the Cold War.

The International Cospas-Sarsat Programme co-ordinates the detection and location of activated beacons and ensures that this information is promptly sent to the relevant authority responsible for search and rescue in the territory or maritime zone from which the

distress signal is received. It uses a network of satellites that provide coverage of the entire planet, including five satellites in LEO polar orbits, 17 in geosynchronous orbit, and more than 50 in medium Earth orbit. The satellites in the network are owned and operated by the United States, Russia, France, Canada, India, and the European Union. Dozens of ground stations track the satellites and receive signals relayed by them, including at least one in China. Information about distress signals and their locations is distributed to search-and-rescue centres in over 200 countries and territories—at no cost to the owners of the beacons or to the governments that conduct the rescues.

Cospas-Sarsat was created by Canada, France, the United States and the Soviet Union in 1979. The first rescue took place in 1982. In 1988, the four states decided to ground the system in a treaty: the International Cospas-Sarsat Programme Agreement. Cospas-Sarsat is now a small but important international organisation with a permanent secretariat located in Montreal. Since 1982, it has helped rescue at least 45,000 people by guiding more than 13,000 search-and-rescue missions worldwide.

The most interesting part of the Cospas-Sarsat story is that such a body was established during the Cold War—and that it survived through the extreme tensions of the early 1980s, which included the Soviet invasion of Afghanistan and US President Ronald Reagan's Strategic Defense Initiative. There are several possible explanations, the most obvious of which is that all of the partner states benefited from the programme, since combining all of their satellites and ground stations provided greater coverage and therefore faster notification of distress signals than would otherwise have been the case. These benefits were significant, since the four founding states have immense maritime zones, including around Canada and Russia's Arctic islands and France and the United States' overseas possessions, as well as global shipping interests. However, this explanation is not sufficient, as Richard Barnes and Jennifer Clapp have explained: 'Search and rescue satellite-aided tracking . . . was attractive to the Soviets because of their world-wide fishing fleet and because it provided them with an opportunity to demonstrate their space capability in a humanitarian application.'

In other words, Cospas-Sarsat has succeeded because it implements the 'Good Samaritan' principle of assisting strangers in distress.

Who Owns Outer Space? International Law, Astrophysics, and the Sustainable Development of Space (Cambridge University Press, 2023), by Michael Byers and Aaron Boley, is one of five finalists for this year's \$60,000 Donner Prize, the best public policy book written by a Canadian. The prize will be awarded in Toronto on May 8.

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Who Owns Outer Space? draws attention to the many risks that are linked to the deployment of very large numbers of new satellites, and the growing rivalries among leading spacefaring nations and corporations, writes the Donner Prize Foundation. Image courtesy of Cambridge University Press

Dominican Republic celebrates Independence Day

The Hill Times photographs by Sam Garcia



Angel Gonzalez Garcia, a counsellor with the Embassy of the Dominican Republic, left, Nuber Lamus-Bernard and her husband Erick Bernard, counsellor and chargé d'affaires of the Embassy of the Dominican Republic, snap a picture at a Feb. 9 reception at the Rideau Club celebrating the country's national day.



Liberal MP and parliamentary secretary to the foreign affairs minister Rob Oliphant, left, shares a laugh with Bernard.



Maria Rosa Paneda Usunariz, wife of the ambassador of Spain, right, and Betty Leon Ossa, wife of the ambassador of Colombia.

Bulgaria toasts its national day



Bulgarian Ambassador Plamen Georgiev, right, and Liberal MP Rob Oliphant, parliamentary secretary to the foreign affairs minister, raise a glass to celebrate Bulgaria's national day at a March 5 reception.



Georgiev, right, shakes hands with Polish Ambassador Witold Miroslaw Dzielski.



Georgiev, left, and his wife, Vessela Bozhidarova Georgieva, with Victorita Manoiu and her husband, Romanian Ambassador Bogdan Manoiu, right.

GG gives keynote at IWD event



Governor General Mary Simon gives the keynote address at a March 8 event marking International Women's Day hosted by the Canadian Club of Ottawa and the Women Heads of Diplomatic Missions in Ottawa (WHDMO).



The Hill Times publisher Leslie Dickson, left, with Panamanian Ambassador Romy Vasquez Morales, Argentinian Ambassador and WHDMO chair Josefina Martinez Gramuglia, and Moroccan Ambassador Souriya Otmani.



Vasquez Morales, right, Philippines Ambassador Maria Andrelita Austria, and Guatemalan Ambassador Guisela Atalida Godínez Sazo.



Laura Ryckewaert
Hill Climbers

FedDev Ontario Minister Tassi, Emergency Preparedness Minister Sajjan add to their teams



Federal Economic Development Agency for Southern Ontario Minister Filomena Tassi, left, Emergency Preparedness Minister Harjit Sajjan, and Heritage Minister Pascale St-Onge. *The Hill Times* photographs by Andrew Meade

Plus, Heritage Minister Pascale St-Onge is down a staffer following Ashley Fearnall's exit to join the Liberal research bureau.

Federal Economic Development Agency for Southern Ontario Minister **Filomena Tassi** welcomed a pair of new hands to her team at the beginning of spring, hiring **Muntaha Ahmed** as a new executive assistant to both the minister and her chief of staff.

Ahmed landed in Tassi's shop fresh from Diversity, Inclusion, and Persons with Disabilities Minister **Kamal Khara's** office



Muntaha Ahmed has joined Minister Tassi's team. *Photograph courtesy of LinkedIn*

as the MP for Brampton West, Ont. Ahmed first joined Khara's office as a 2022 Liberal Summer Leadership Program (SLP) intern, and was subsequently hired on as a constituency assistant.

She graduated with a bachelor's degree in criminology, law, and society from the University of Toronto Mississauga (UTM) last year, and while in school, was founder and co-president of UTM's Somali Student Association and was active with Say Somaali, which describes itself online as a "Black youth-led grassroots organization" delivering "a culturally responsive mentorship, leadership, and development program for Somali youth" in the Greater Toronto Area.

Director of policy **Jessie Pierre** is currently acting as chief of staff to the minister while **Jennifer Kuss** is on leave, with policy adviser **Elie Kallab** filling in as acting policy director.

Ahmed's addition brings Tassi's team to 11 staff, not including Kuss, or **Chike Aghasi**, who's also on leave from his role as director of operations. **Fadi El-Masry** is currently acting operations head. Also currently working for Tassi are: **Chelsea Kusnick**, director of communications; **Edward Hutchinson**, press secretary; **Sara Kasum**, digital communications adviser; **Bita Pejam**, manager of operations and stakeholder relations; **Tanveer Kaur Tur**, southern Ontario regional affairs adviser; **Owen McAdams**, GTA regional affairs adviser; and driver **Daniel Rozon**.

Emergency Preparedness Minister and King's Privy Council President **Harjit Sajjan**, who's also responsible for the Pacific Economic Development Agency, has hired **Quinn Rinke** to serve as assistant to the minister's parliamentary secretary, Liberal MP **Sherry Romanado**.

Rinke joined Sajjan's ministerial office as of Feb. 19, and had previously been

assistant to Sajjan as the MP for Vancouver South, B.C., since last September.

Rinke is a former constituency assistant and office manager to Vancouver Centre, B.C., Liberal MP **Hedy Fry**. His past experience also includes part-time work as a constituency assistant to Citizens' Services Minister **Terry Beech** as the MP for Burnaby North-Seymour, B.C., for the first three months of 2021, followed by a four-month contract as a part-time enumerator with Statistics Canada. During the 2021 federal election, Rinke worked part time as a field and volunteer assistant co-ordinator for the Liberals in North Vancouver, B.C., according to his LinkedIn profile.

James Cudmore is chief of staff to Sajjan, who, including Rinke's addition, now has 18 staff in his ministerial office overall.

Sajjan's staff roster includes two directors of policy—**Matthew Stenson**, who covers the emergency preparedness file, and **Jiven Sandhu**, who's focused on the Pacific development agency—as well as: **Adam Grech**, director of operations and Ontario regional affairs; **Tania Amghar**, senior policy and Quebec regional affairs adviser; **Laura Gamez**, senior policy and Prairies and North regional adviser; **Jessica LaForge**, policy and B.C. regional affairs adviser; **Reeha Korpall**, policy adviser; **Cleopatra Mbali Masinga**, special assistant for policy; **Neor Tiku**, senior operations assistant and Atlantic regional adviser; **Cédric Devedeux Delorme**, director of parliamentary affairs; **Emily Heffernan**, director of communications; **Joanna Kanaga**, press secretary; **Haley Hodgson**, senior communications adviser; **Daniel Pereira**, digital communications adviser; **Sarphina Chui**, executive assistant to the minister and chief of staff; and driver **Ryan Bell**.

Meanwhile, Heritage Minister **Pascale St-Onge** has seen staff movement in the

other direction, with office manager and executive assistant to the chief of staff **Ashley Fearnall** having bade the team farewell to join the Liberal research bureau (LRB) as its new director of human resources.

Fearnall had been working for St-Onge since last September, and before then spent more than a year and a half working with the human resources team in Prime Minister **Justin Trudeau's** office, starting as a special assistant and ending as an HR co-ordinator and executive assistant to PMO deputy chief of staff **Marjorie Michel**.

Fearnall had her first brush with Hill life in the summer of 2016, while in the midst of a bachelor's degree in political studies at Trent University, when she came to join now-Indigenous Services Minister **Patty Hajdu's** office as the MP for Thunder Bay-Superior North, Ont., as an SLP intern. She returned in the summer of 2017 to intern in then-status of women minister **Maryam Monsef's** office, and was subsequently hired as an assistant to Monsef as the then-MP for Peterborough-Kawartha, Ont. While working toward her master's degree in political science and government at Carleton University, Fearnall did a four-month internship with Employment and Social Development Canada, and after graduating in 2021, she worked part time on *The EcoPolitics Podcast* before joining the PMO at the start of 2022.



Ashley Fearnall is now a director in the LRB. *Photograph courtesy of LinkedIn*

Now heading HR in the LRB, Fearnall fills the shoes of **Trish Renaud**, who has retired. Renaud had been tackling HR work for both the LRB (since 2018) and the Liberal Whip's office (since 2022), and was previously a human resources and special projects adviser in the PMO.

Stay tuned for an update on the rest of the LRB team in the near future.

With Fearnall's exit, St-Onge is left with a 19-member office. Led by chief of staff **Jude Welch**, it also currently includes: **Brian MacKay**, director of policy and stakeholder outreach; **Nina BouteIdja**, director of issues and stakeholder management; **Colin Lalonde**, director of parliamentary affairs; **Aisha Paquette-Dioury**, director of operations; **Shane MacKenzie**, director of communications; **Michael Lartigau**, senior adviser; **Matthew Gray**, senior policy adviser; policy advisers **Dominic Morin** and **Madison Taipalus**; **Djamel Boumenna**, Quebec regional affairs adviser; **Sophie Goyette-Hamels**, Atlantic regional adviser; **Kaitlyn Jonescu**, special assistant for operations; **Ariane Joazard-Bélizaire**, senior communications adviser and press secretary; **Haifa Al-Aryan**, digital communications adviser; **Sarah El-Tohamy**, senior parliamentary affairs adviser; **Daniel Krebs**, legislative assistant; **Sabrina Barrow**, executive assistant to the minister; and **Zack Slawich**, assistant to the parliamentary secretary.

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Parliamentary Calendar

Justice Hogue to deliver interim inquiry report May 3

Justice Marie-Josée Hogue will deliver an interim report from the Public Inquiry into Foreign Interference in Federal Electoral Process and Democratic Institutions on May 3. *The Hill Times* photograph by Andrew Meade



WEDNESDAY, MAY 1

Symposium: 'NORAD Modernization'—National Defence Minister Bill Blair will deliver remarks at "NORAD Modernization: Enabling Connectivity for Interoperability," hosted by the Canadian Global Affairs Institute. This day-long conference will examine the advanced capabilities and technology aspects of NORAD modernization, and how connectivity can help better defend the continent. Wednesday, May 1, at 8 a.m. at Westin TwentyTwo, 22nd Floor, 11 Colonel By Dr., Ottawa. Details online: cgai.ca.

Economic Club's Health Care Summit—The Economic Club of Canada hosts its annual health-care summit, "Healthcare Horizons: Navigating the Future of Canadian Wellness." Industry executives, policy-makers, and key government officials will provide an in-depth look at the health-care landscape in Canada as it pertains to the economy, innovation, and the health and well-being of our labour force. Wednesday, May 1, at 8:45 a.m. ET at the Hilton Toronto, 145 Richmond St. W., Toronto. Details online: events.economicclub.ca.

Flora's Walk for Perinatal Mental Health—The Canadian Perinatal Mental Health Collaborative hosts Flora's Walk. Mental Health and Addictions Minister Ya'ara Saks will be speaking, along with Liberal MP Pam Damoff, Conservative MP Karen Vecchio, NDP MPs Don Davies and Heather McPherson, and Green Leader Elizabeth May. Wednesday, May 1, at 9 a.m. ET in Room 228, Valour Building, Parliament Hill. Details via Eventbrite.

Rogers CEO to Deliver Remarks—The Canadian Club of Toronto hosts a lunch event with Tony Staffieri, president and CEO of Rogers Communications, who will deliver remarks on "Investing in Canada and Canadians." Wednesday, May 1, at 11:45 a.m. ET at the Fairmont Royal York, 100 Front St. W., Toronto. Details online: canadianclub.org.

Panel: 'Pillars of Arctic Resilience'—PSG Senator Dawn Anderson, ISG Senator Pat Duncan, NDP MP Lori Idlout, and Jackie Jacobson with the Arctic Research Foundation will take part in a panel discussion, "Pillars of Arctic Resilience," exploring the Arctic

National Strategy and Canada's path to prosperity in the North. Wednesday, May 1, at 5:30 p.m. ET at the Sir John A. Macdonald Building, 144 Wellington St., Ottawa. Details online via Eventbrite.

Celebrating the Paris 2024 Olympic Games—CBC/Radio-Canada, the Canadian Olympic Committee and the Canadian Paralympic Committee, and the Ambassador of France to Canada Michel Miraillet host an evening marking the countdown to the Paris 2024 Olympic Games and the Paris 2024 Paralympic Games. Wednesday, May 1 at 5:30 p.m. at the Résidence de France, 42 Sussex Dr., Ottawa.

Forum: Canada's Nuclear Future—Renaissance or Relic?—Hosted by Seniors for Climate Action Now (SCAN! Ottawa), this hybrid event will take place on Wednesday, May 1, starting with a reception at 6:30 p.m. followed by the forum from 7-9 p.m. at St. James United Church, 650 Lyon St. S., Ottawa, and online: not-the-nuclear-lobby.ca.

THURSDAY, MAY 2

World Press Freedom Day Luncheon—American journalist Margaret Sullivan will deliver a keynote speech at the World Press Freedom Canada Luncheon. Thursday, May 2, at 11:30 a.m. ET at the National Arts Centre, 1 Elgin St., Ottawa. Details online.

FRIDAY, MAY 3

Foreign Interference Inquiry Interim Report—Marie-Josée Hogue, commissioner of the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions, is expected to deliver her interim report today. The final report is expected by December 2024.

Minister Blair to Deliver Remarks—National Defence Minister Bill Blair will deliver a special keynote address at a lunch event hosted by the Economic Club of Canada. Friday, May 3, at 11:45 a.m. ET at the Hilton Toronto, 145 Richmond St. W., Toronto. Details online: economicclub.ca.

SATURDAY, MAY 4

Gwynne Dyer to Discuss His New Book—Author, journalist, *Hill Times* columnist, and historian Gwynne Dyer

will discuss his latest book, *Intervention Earth: Life-Saving Ideas from the World's Climate Engineers*, as part of the Ottawa International Writers' Festival. Saturday, May 4, at 12 p.m. ET at Library and Archives Canada, 395 Wellington St., Ottawa. Details online: writersfestival.org.

SUNDAY, MAY 5

Sally Armstrong to Discuss Her New Book—Author, journalist, and human rights activist Sally Armstrong will discuss her new book, *Outspoken: My Fight for Freedom and Human Rights in Afghanistan*, co-authored with Sima Samar, a medical doctor, public official, founder of schools and hospitals, and Nobel Peace Prize nominee, as part of the Ottawa International Writers' Festival. Sunday, May 5, at 1:30 p.m. ET at Library and Archives Canada, 395 Wellington St., Ottawa. Details online: writersfestival.org.

Sophie Grégoire Trudeau to Discuss Her New Book—Sophie Grégoire Trudeau will discuss her new book, *Closer Together*, as part of the Ottawa International Writers' Festival. Sunday, May 5, at 7:30 p.m. ET at Library and Archives Canada, 395 Wellington St., Ottawa. Details online: writersfestival.org.

MONDAY, MAY 6

AFN Dialogue on Transport and Storage of Used Nuclear Fuel—The Assembly of First Nations hosts the third in a four-part series, "Regional Dialogues on the Transportation and Storage of Used Nuclear Fuel" from April 9-May 22, to advocate for First Nations' active involvement in decisions about used nuclear fuel, management, and transportation across Turtle Island. Monday, May 6, at 8 a.m. ET at the Sheraton Centre Toronto Hotel, 123 Queen St. W., Toronto. Details online: afn.ca/events.

Panel: 'Canada's Place in the World'—The Canadian Club of Ottawa hosts a panel discussion, "Canada's Place in the World As It Takes On the 2025 G7 Presidency." Perrin Beatty, president and CEO of the Canadian Chamber of Commerce, is among the speakers. Monday, May 6, at 11:30 a.m. at the Rideau Club, 15th Floor, 99 Bank St. Details online: canadianclubottawa.ca.

TUESDAY, MAY 7

National Prayer Breakfast—The National Prayer Breakfast will take place under the auspices of the Speakers of the Senate and the House of Commons. Participants will include Canadian and international Christian faith leaders, ambassadors, Members of Parliament, Senators, and Canadians from across the country and abroad. Tuesday, May 7, at 7:30 a.m. at the Shaw Centre, 55 Colonel By Dr., Ottawa. Details online via Eventbrite.

Indian Envoy to Deliver Remarks—India's High Commissioner to Canada Sanjay Kumar Verma will deliver remarks in English to the Montreal Council on Foreign Relations. Tuesday, May 7, at 12 p.m. ET at the Omni Mont-Royal, 1050 Sherbrooke St. W., Montreal. Details online: corim.qc.ca.

Webinar: 'Why Economists Should Care about the Constitution'—The Canadian Association for Business Economics hosts a webinar, "Why Economists Should Care about the Constitution." University of Alberta professor Andrew Leach will discuss what economists need to know about Canadian federalism, the constraints it imposes on policy development, and how a broader and better understanding of constitutional law is key for economists. Tuesday, May 7, at 1 p.m. ET, happening online: cabe.ca.

Politics & the Pen—The Writers' Trust will host the highly anticipated fundraiser Politics and the Pen event. The highlight of the evening is the presentation of the \$25,000 Shaughnessy Cohen Prize for Political Writing, the best political book of year. This year's co-hosts are former Alberta premier Jason Kenney and former Ontario premier Kathleen Wynne. Tuesday, May 7, at the Fairmont Château Laurier, 1 Rideau St., Ottawa.

TUESDAY, MAY 7—WEDNESDAY, MAY 8

2024 Montreal Climate Summit—Former Liberal cabinet minister Catherine McKenna, now chair of the UN High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities, will take part in the 2024 Montreal Climate Summit happening from May 7-8 at the Grand Quay of the Port of Montreal. Details online: sommetclimatmtl.com.

WEDNESDAY, MAY 8

Donner Prize Gala—The 2023 Donner Prize will be presented at a gala dinner. The annual award recognizes the best public policy by a Canadian author. The winner will be awarded \$60,000, and the four others will each receive \$7,500. Wednesday, May 8, in Toronto. Details online: donnerbookprize.com.

Mental Health Week Reception—The Canadian Mental Health Association invites Parliamentarians and officials to its annual food and drink reception in celebration of Mental Health Week, with opening remarks from Mental Health and Addictions Minister Ya'ara Saks. Wednesday, May 8, from 5-8 p.m. in Ottawa. By invite only, connect with Ms. SM Leduc (smleduc@cmha.ca) to RSVP.

THURSDAY, MAY 9

National Air Accessibility Summit—Transport Canada and Employment and Social Development Canada will co-host Canada's first National Air Accessibility Summit. Details to follow. Contact laura.scaffidi@tc.gc.ca.

Innovation DM Kennedy to Deliver Remarks—Deputy Minister of Innovation Simon Kennedy will take part in a panel discussion, "Increasing Canada's Economic Resilience," hosted by the Canadian Club of Toronto. Thursday, May 9, at 11:45 a.m. at the Fairmont Royal York, 100 Front St. W., Toronto. Details online: canadianclub.org.

Book Launch: Canadians Who Innovate—Roseann O'Reilly Runte, president of the Canadian Foundation for Innovations, will discuss her new book, *Canadians Who Innovate: The Trailblazers and Ideas That Are Changing*

the World. Thursday, May 9, at 7 p.m. ET at Library and Archives Canada, 395 Wellington St., Ottawa. Details online: writersfestival.org.

Mental Health Summit—Taking place at the National Arts Centre in Ottawa on Thursday, May 9, the summit will delve into pressing issues concerning prioritizing youth mental health, overcoming barriers to men's mental health awareness, equitable supports, and public policy reforms. Hosted by the Hi Dad Foundation alongside MPs Matt Jeneroux, Gord Johns, Majid Jowhari, and Julie Vignola, in partnership with the Canadian Mental Health Association, the Centre for Suicide Prevention, and the Mental Health Commission of Canada, among others. Details online via Eventbrite.

SATURDAY, MAY 11

The King's Birthday Luncheon—The Ottawa Branch of the Monarchist League hosts a luncheon in honour of King Charles' birthday, a celebration of the Canadian Crown marking Victoria Day, the King's official birthday in Canada. Saturday, May 11 at 12 p.m. ET at the Ottawa Hunt and Golf Club, 1 Hunt Club Rd. Details online via Eventbrite.

TUESDAY, MAY 14

Bloc Leader Blanchet to Deliver Remarks—Bloc Québécois Leader Yves-François Blanchet will deliver remarks in French on "A Quebec model of prosperity" hosted by the Chamber of Commerce of Metropolitan Montreal. Tuesday, May 14, at 11:30 a.m. ET at Fairmont The Queen Elizabeth, 900 René-Lévesque Blvd. W., Montreal. Details online: ccm.ca.

WEDNESDAY, MAY 15

BDC President Hudon to Deliver Remarks—Isabelle Hudon, president and CEO of the Business Development Bank of Canada, will deliver remarks at a breakfast event, "Development that Matters: Entrepreneurship in Atlantic Canada" hosted by the Halifax Chamber of Commerce. Wednesday, May 15, at 8 a.m. AT at Courtyard by Marriott Halifax Dartmouth, 35 Shubie Dr., Dartmouth, N.S. Details online: business.halifax-chamber.com.

Lunch: 'Renewing CUSMA and Perspectives on the U.S. Election'—Canada's former chief trade negotiator Steve Verheul will deliver remarks on "Table Stakes: Renewing CUSMA and Perspectives on the US Election" at a lunch hosted by the C.D. Howe Institute. Wednesday, May 15, at 12 p.m. ET at 67 Yonge St., Suite 300, Toronto. Details online: cdhowe.org.

THURSDAY, MAY 16

Ambassador Theodore to Deliver Remarks—Nadia Theodore, Head of Canada's Permanent Mission in Geneva, Ambassador and Permanent Representative to the WTO, UNCTAD, ITC and WIPO, will deliver remarks in a webinar hosted by the C.D. Howe Institute. Thursday, May 16, at 12:30 pm. ET happening online: cdhowe.org.

FRIDAY, MAY 17

Pink Tea with Charlotte Gray—The Famous 5 Foundation hosts award-winning non-fiction author Charlotte Gray for its virtual Pink Tea. Friday, May 17, at 2 p.m. ET, happening online: famous5.ca.

WEDNESDAY, MAY 22

AFN Dialogue on Transport and Storage of Used Nuclear Fuel—The Assembly of First Nations hosts the fourth in a four-part series, "Regional Dialogues on the Transportation and Storage of Used Nuclear Fuel" from April 9-May 22, to advocate for First Nations' active involvement in decisions about used nuclear fuel, management, and transportation across Turtle Island. Wednesday, May 22, at 8 a.m. ET at the Delta Hotels by Marriott, 2240 Sleeping Giant Pkwy., Thunder Bay, Ont. Details online: afn.ca/events.

The Parliamentary Calendar is a free events listing. Send in your political, cultural, diplomatic, or governmental event in a paragraph with all the relevant details under the subject line 'Parliamentary Calendar' to news@hilltimes.com by Wednesday at noon before the Monday paper or by Friday at noon for the Wednesday paper.



For 17 years and counting, CN has proudly supported the Children's Hospital of Eastern Ontario (CHEO) through the CN Cycle for CHEO.

Join us on May 5 as we walk and pedal for progress and make a difference in the lives of children battling cancer.

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