



The Day Report
Newsletter of Senator Joseph A. Day

Winter 2007—Volume 6, number 9

Happy New Year, 2007, and welcome to the latest edition of The Day Report! After a busy fall session the Senate has adjourned for the holiday season and I look forward to spending time with family and friends at home in Hampton, New Brunswick.

This fall's demanding legislative schedule has made it difficult for me to attend events at home as often as I would like, therefore I do look forward to seeing as many of you as possible during the coming weeks, and "catching up" on the news.

My office in Ottawa has been buzzing with activity over the last four months. My responsibilities as Chair of the National Finance Committee, Co-Chair of the Canada China Legislative Association, Vice Chair of the Veterans' Affairs Sub-Committee, and the Opposition Critic for the Federal Accountability Act have left us all very busy.

The fall session of parliament saw the passage of two major pieces of legislation, the Federal Accountability Act and the Softwood Lumber Agreement, amongst other legislation. Also catching the headlines was the Prime Minister's successful motion in the House of Commons calling for recognition that the Quebecois people form a "nation" within a united Canada. Each of these issues resulted in significant and interesting debate.

In early December the Liberal Party of Canada elected Stéphane Dion to lead the Liberal Party into the next election. Mr. Dion has a three-pillar policy approach, which integrates economic prosperity, social justice and environmental sustainability. Many are excited that the Liberal Party has chosen such a progressive and experienced leader, who has served eleven years as a Member of Parliament and held the position of Minister of the Environment. His victory in Montréal was a dramatic conclusion to the largest political leadership convention ever held in Canada, with over 5000 voting delegates and at least another 5200 observers.

As you read through this newsletter I trust you will find the articles informative. It is my hope that the articles we have chosen to include in this newsletter will shed light on some of the important debates taking place in Ottawa, and in New Brunswick. I always appreciate your comments and suggestions for improvements. If you have an area of interest you would like included in future newsletters, please let me know.

Si vous désirez recevoir ce bulletin en français, veuillez contacter mon bureau. If you wish to receive future editions of the newsletter in electronic format, or if you would like to have your name removed from my distribution list, please let us know.

Mongolian Ambassador's Visit to New Brunswick

In November I had the pleasure of hosting his Excellency, Dr. Dugerjav Gotov, the Mongolian Ambassador to Canada, in New Brunswick. Dr. Gotov and I met with Saint John Mayor Norm MacFarlane, and several professors from the University of New Brunswick, at both the Saint John and Fredericton campuses.

The primary reason for the Ambassador's visit was to announce the opening of an Honorary Consulate for Mongolia in Hampton New Brunswick, and to induct into office the new Honorary Consul for Mongolia, Mr. David M. Lutz, Q.C. The purpose of an Honorary Consul is to represent the State of Mongolia within the Atlantic Provinces. This includes strengthening relations with local governments and businesses in relation to trade and investment opportunities, as well as promoting the cultural and educational interests of Mongolia. This position also includes providing services to Mongolian citizens and students visiting Canada such as; assisting with passport and citizenship applications as well as providing information to Mongolian tourists.



Canada is currently Mongolia's second largest foreign investor, after China, and trade between our two countries is growing steadily. Through the Canada Mongolia Parliamentary Friendship group, of which I am Chair, we are trying to strengthen ties between Canada and Mongolia in an attempt to increase trade and to assist Mongolia in its political and social challenges.

This visit also gave Ambassador Gotov the opportunity to see New Brunswick and meet with people to discuss Canada-Mongolia relations. While at the University of New Brunswick, the Ambassador and I met with several professors from the geology department who described various mining practices used in New Brunswick and Canada. This was of interest to the Ambassador since Mongolia also has an active and prosperous mining industry. (Ivanhoe Mines Ltd. of Vancouver is one of the prominent Canadian mining companies currently operating in Mongolia) One of the largest active mines in Mongolia is at Oyu Tolgoi (Turquoise Hill), where copper and gold are mined. The mine is in the Gobi desert, approximately 550km south of the capital city of Ulaanbaatar. I had the opportunity to visit the mine site a few years ago to ensure proper environmental and safety standards were being observed. Following that visit, I was happy to report that high Canadian standards were being met.

For more information on this project, please refer to the Ivanhoe Mines website at <http://www.ivanhoe-mines.com>. For more information on Ambassador Gotov, or Mongolian initiatives in Canada, please visit the website for the Mongolian Embassy at <http://www.mongolembassy.org/>.

Our lodgings while at the mine. These traditional tent-like dwellings, called a Ger or Yurt, are still used by the nomadic peoples of Mongolia today.



National Security & Defence Committee Report: Managing Turmoil

In October, the Standing Senate Committee on National Security and Defence published a report entitled '**Managing Turmoil.**' This report represents the Committee's third publication in a three part series focusing on the state of Canada's military and the improvements which must be made as a result of profound international and domestic changes.

Our Committee hopes this report will contribute to the debate on what threats and opportunities are likely to face Canadians in the coming decades, and how we can best prepare ourselves to meet those threats and realize the benefits of those opportunities.

Part I of this report predicts the potential change to both national and international security, and advocates that Canada prepare for these changes in three major ways:

1. Upgrade our Canadian Forces so that they can deal with more than one major crisis at a time.
2. Rehabilitate Canada's foreign aid program so we are better equipped to help with the root causes of international unrest, which in turn would decrease the chances of Canada being forced into armed conflicts, and
3. Improve Canada's working relations with the United States, a relationship that we must take advantage of in order to ensure a successful transformation of our armed forces and security agencies.

Part II focuses on the Canadian Forces, and a number of ways in which greater government support and more developed approaches could create a military capability consistent with the expectations and international obligations of a developed nation like Canada.

Information regarding the Committee and electronic copies of the reports can be obtained from the Committee website at www.sen-sec.ca. If you would like printed copies of any or all of these reports, please let me know. Questions regarding these reports or other work by the National Security and Defence Committee can be directed to myself or the Committee Clerk at defence@sen.parl.gc.ca.



In September, the Royal Military College of Canada took this canoe down the Rideau Canal locks from Ottawa to Kingston. This trip was used as a fundraiser for sporting events at the College. This photograph was taken at the launch of their voyage.

Federal Accountability Act—Bill C-2

On Tuesday December 12th Governor General Michaëlle Jean was present in the Senate Chamber to give Royal Assent to what Prime Minister Harper's government referred to as its most important piece of legislation, the Federal Accountability Act.

As Opposition Critic in the Senate for Bill C-2 it was my responsibility to lead a team of Senators in a detailed study of this omnibus piece of legislation. This was an enormous task, and represents the most significant responsibility I have undertaken during my time in the Senate thus far.

Drafted in a mere 6 weeks and passed by the House of Commons with undue haste, the Federal Accountability Act amended more than 100 statutes, was 214 pages in length and included 317 clauses. The Bill proposed to make major changes to the Conflict of Interest Act, the Canada Elections Act, the Parliament of Canada Act, the Lobbyist Registration Act, the Access to Information Act, the Financial Administration Act and the Auditor General Act just to name a few.

As a result of Bill C-2's sheer size the Standing Senate Committee on Legal and Constitutional Affairs heard from more than 150 witnesses, during more than 100 hours of testimony. Throughout this study, the Senate was criticized heavily by members of the government who claimed Liberal Senators were stalling the passage of this legislation for political gain. The President of the Treasury Board claimed the legislation had been "studied with a microscope" in the House of Commons and that there was no need for further study. However, if the Senate is to remain, as it has since Confederation, as a valuable component in the Parliamentary system, it must be able to act independently and responsibly.



Senator Day with the Speaker of the Senate, Noël Kinsella and the Governor General, Her Excellency Michaëlle Jean

If at any time, the Senate concludes through testimony and rigorous debate that the administration of the day has acted against the best interests of the people of Canada, then it is our responsibility as Senators to propose amendments to rectify the problems and concerns.

As a result of the Committee's work over 150 amendments were proposed by the Senate of which almost 50 were put forth by the government itself. A compromise which included the acceptance of 90 amendments was passed by the Senate on December 7th and that compromise was accepted by the House of Commons with little further debate.

It is my belief that the Federal Accountability Act, is a much stronger piece of legislation than it was when it was originally passed by the House of Commons. The important work performed by the Senate clearly illustrates the fundamental role of the Senate as an institution. We were given a poor piece of legislation and we improved it. We rose to the occasion by doing what the Senate of Canada does best, STUDY, UNDERSTAND, and when warranted IMPROVE legislation.

NATO Parliamentary Assembly Annual Session. Quebec City

I was honoured to participate in the NATO Parliamentary Assembly's 52nd Annual Session that was held recently in Quebec City. The Canadian delegation was very pleased to be able to host delegates from the 25 other NATO member countries as well as delegates from the 18 Associate member countries in such a beautiful and historic Canadian city. NATO participation is an important part of Canadian foreign policy. Canada has been a leading member of NATO since its inception in 1949.

At Annual Sessions, parliamentary delegates review the current activities of NATO, and are given updates on the missions that are being staffed by NATO personnel worldwide. This year there were four main topics for consideration – the missions in Afghanistan, Kosovo, Sub-Saharan Africa (the Darfur region in particular), and various other humanitarian operations. During this session I attended committee meetings focused on NATO's progress during the past year, and the planning for future NATO leadership roles throughout the world.

Keynote speakers at this year's session included Canadian parliamentarians such as Speaker of the House of Commons, Peter Milliken; Speaker of the Senate, Noël Kinsella; and the Honourable Gordon O'Connor, Minister of National Defence. Other speakers included Mr. Jaap der Hoop Scheffer, Secretary General of NATO and Chairman of the North Atlantic Council, and her Excellency Kolinda Grabar-Kitarović, Croatian Minister of Foreign Affairs and European Integration.

The topics of discussion were of particular interest to me because of my work with the NATO Committee on Defence and Security, of which I am a Vice-Chair. I am also Chair of the Liberal Democrat Alliance of the NATO Assembly, which is a caucus of like minded parliamentarians from various NATO countries.

Please visit the NATO website at <http://www.nato.int/> for further information.

National Finance Committee studies the Horizontal Fiscal Balance

Recent statements by Prime Minister Stephen Harper and Minister of Finance Jim Flaherty have suggested the Government is planning to make significant changes to the Equalization program, which is designed to reduce fiscal disparities among the provinces and territories.

The Standing Senate Committee on National Finance, of which I am Chair, has had a long-standing interest in Canada's fiscal arrangements. Canadians support the principles of the Equalization program and our Committee, in support of the government's commitment to change the program, undertook a two part study extending invitations to all provincial and territorial governments to present their views on the **horizontal fiscal balance**.

The **horizontal fiscal imbalance** refers to the differences in the ability of individual provinces and territories to raise revenues. Imbalances are addressed by equalization payments from the federal government to those provinces that have revenues below the national average. The provinces with the lowest revenue generated will receive the greatest equalization payments. (E.G. New Brunswick receives \$1.4 billion, or over 20% of its annual budget from federal government equalization payments.) The **vertical fiscal imbalance**, which our Committee will study throughout the winter and spring, refers to a gap between revenue sources and spending responsibilities between the federal and provincial governments. The primary vehicles used by the federal government to address the vertical fiscal imbalance are its transfer payments for health, post-secondary education, and various social programs. These transfers are from the federal government to all provinces based on the same amount for each person.

Debate on our Committee's Interim Report of The Horizontal Fiscal Balance will continue in February, and the Committee intends to issue a report on the vertical fiscal balance by June 30, 2007.

Association of Southeastern Asian Nations' General Assembly

In mid September, I traveled to Cebu City in the Philippines to attend the 27th General Assembly of the Association of Southeastern Asian Nations' (ASEAN) Inter-parliamentary Organization. The Canadian delegation was comprised of members of the Canada-Japan Inter-Parliamentary Group, and the Canada-China Legislative Association. As a Co-Chair of the Canada-China Legislative Association, I was asked to lead the Canadian delegation on this trip.

While Canada is not a member of the ASEAN by reason of geography, we do have observer status. This is an important area of the world, where Canada has traditionally had a leadership and training role to play. For that reason we are pleased to take on a leadership role in the association.

During the conference eight issues were given priority, including regional security, economic and trade co-operation, investment opportunities, environmental issues, information and technology co-operation, strategies to create breakthroughs in the World Trade Organization "Doha Round", exchange of parliamentary visits as a means of strengthening inter-parliamentary diplomacy, and co-operation in fighting pandemic/infectious diseases, such as the Avian flu and HIV/AIDS. To view my speech at the conference, please visit my website at www.senatorjosephday.ca/speeches.htm.

This conference provided the Canadian delegation with an excellent opportunity to hold bilateral meetings, thus strengthening ties between our own country and individual countries in Southeastern Asia. Through the various meetings we were able to better understand the political and social situations in many of these countries. It is our hope that by sharing ideas and experiences we have provided the leaders of these countries with new ideas to address some of the issues affecting their country.

In particular, the Canadian delegation had bilateral meetings with the Speaker of the House of Representatives of the Republic of the Philippines, the Honourable Jose de Venecia, Jr.; with Ambassador Wang, the head of the Chinese delegation, the former Ambassador to the United Nations; and with Mr. Vu Mao, Member of the National Assembly of the Socialist Republic of Vietnam. During each of these meetings the parties discussed mutually important issues such as the environmental impact of over cutting in the Philippines forests, trade relations between Canada and China, and the social issues such as the increasing number of adoptions of Vietnamese children by Canadian couples.



For more information on the Association of Southeastern Asian Nations, please visit their website at <http://www.aseansec.org/>.

Philippine cultural displays are often very vibrant. The colours and sounds are truly a sight to be seen. We had the good fortune to be presented with one such display while I was visiting the island country during this trip.

Liberal leadership and Biennial Convention

As many of you will know by now, the Liberal Leadership and Biennial Convention took place in Montreal the weekend of November 29th – December 3rd. I had the pleasure of participating in many of the scheduled events, and witnessing the various votes that led to the announcement of Stéphane Dion as the new leader of the Liberal Party of Canada.

The Convention began on Wednesday with a series of policy workshops, which focused on issues such as International Affairs, Infrastructure and Environment, and Health and Economic Policy.

On Thursday, there were various meetings, including a State of the Party, a Constitutional Plenary, the Young Liberals of Canada Biennial Meeting, and finally, a Tribute to Paul Martin.

After a thought provoking day of speeches and meetings the voting began on Friday. Each of the candidates addressed the delegates, and many had quite memorable speeches. Candidates were united against the current government's recent cancellation of financial support for advocacy groups, women's groups and associations representing the less fortunate members of our society. Many held a strong stance on the environment and Canada's commitment to the Kyoto Accord. Candidates also expressed the need for renewal within the party.

After the first vote on Friday evening Michael Ignatieff led with 29.3% of votes. Bob Rae was second with 20.3%. Stéphane Dion and Gerard Kennedy were very close with 17.8% and 17.7%, respectively. Martha Hall Findlay was the only candidate who did not receive enough votes to continue on to the second round of voting.

On Saturday morning each candidate had a final chance to persuade delegates to support their respective vision for the future of Canada. Joe Volpe decided to withdraw from the race, lending his support to Bob Rae. Scott Brison was also absent from the second round of voting, also moving to support Bob Rae. In the second vote, Gerard Kennedy and Ken Dryden withdrew, leaving Michael Ignatieff, Stéphane Dion and Bob Rae. The final vote was between Ignatieff and Dion. Dion won with 2521 votes, followed by Ignatieff with 2084 of a possible 4605 votes cast.

The outcome of the 2006 leadership convention kept everyone guessing right until the end. Any of the candidates could have been a fine choice but I am convinced the delegates made a good decision in Mr. Dion as I believe he will bring a new energy and renewal to the Liberal Party.



The Official Leader of the Opposition, The Honourable Stéphane Dion rises during Question Period to address the Government

Stéphane Dion, leader of the Liberal Party of Canada

First elected to the House of Commons in a 1996 by-election, Stéphane Dion was re-elected in 1997, 2000, 2004 and 2006 in the riding of Saint-Laurent – Cartierville.

During his first year in Ottawa Mr. Dion joined the Cabinet under former Prime Minister Jean Chrétien as Minister for Intergovernmental Affairs, a post which he held for close to eight years.

In July 2004, Mr. Dion was appointed Environment Minister by former Prime Minister Paul Martin, a position which enabled him to better prepare Canada for the challenges of a sustainable economy. As the newly elected leader of the Liberal Party of Canada, Mr. Dion has a three-pillar policy approach which integrates economic prosperity, social justice and environmental sustainability.

During Mr. Dion's successful bid for the leadership of the Liberal Party he stated that "Canadians demand reliable economic leadership, and that is what I will bring. But leadership is not only about strong management, as important as it may be. Leadership is also about vision."

Mr. Dion's vision for Canada includes significant reinvestment in research and development. He believes that investment at the post-secondary level is essential now, while our economy is strong. It is his belief that for Canada to become an economic leader it must build a more highly educated workforce with the capacity to invent new technologies, leading to a more environmentally sustainable country. Mr. Dion also looks ahead to a future with a carbon market system designed to ensure that countries are able to meet their emissions reduction commitments.

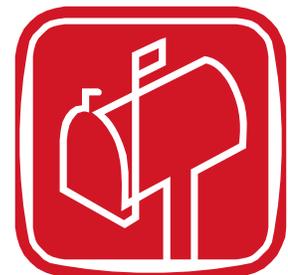
In order to advance his vision Mr. Dion has made several appointments to his leadership team in recent weeks. Thus far, he has appointed many of his leadership opponents to his team. These include Michael Ignatieff as Deputy Leader, Gerard Kennedy as Special Advisor to the Leader for Election Readiness and Renewal, Bob Rae and Scott Brison as Co-Chairs on the Policy Platform Committee, and Martha Hall Findlay as Platform Outreach Chair.

For more information on Mr. Dion and his platform please consult the Liberal Party of Canada's website, at www.liberal.ca.

Contact Senator Day

Senator Joseph A. Day
801 Victoria Building
Ottawa (Ontario)
K1A 0A4

Phone: (613)992-0833
Toll Free: 1-800-267-7362
Fax: (613)992-1175



Email: dayja@sen.parl.gc.ca

Check out my website at : www.senatorjosephday.ca