

The reasons for the Tory defeat are that the people of Prince Edward Island realized that the Patent Act Amendment Act, which went through Parliament recently, increased the price of drugs in this country; they realized that the EPF funding was cut back for health and education; they realized that students had to pay interest on student loans immediately upon graduating, and that there was no increase in those loans; they realized that the GST was imposed upon them by this government; they realized that there has been a cut-back in the unemployment insurance; they realized that student loans were being taxed immediately, rather than after six months; they realized that this government had put through free trade and now it intends to put through NAFTA; they realized that the government has cut back on VIA Rail, on the CBC, and on transportation by Air Canada.

This government has also increased the ferry rates to the province, and it mishandled the fiasco with relation to the potato virus in Prince Edward Island. Even the farmers had to pay for the grading of their potatoes, which they never had to do before under a Liberal regime. Potato farmers now have to pay for the federal inspection of their potatoes.

The Hon. the Speaker: According to rule 22(6), the Honourable Senator Bonnell's three minutes are up.

Some Hon. Senators: More, more!

The Hon. the Speaker: However, if there is unanimous consent of the house, the honourable senator may continue.

Hon. Senators: Agreed.

Senator Bonnell: I just want to tell honourable senators of the progress the Conservative Party has made in Prince Edward Island, in spite of the uphill battle they had because of the federal Conservative government here in Ottawa. Let me tell honourable senators that the provincial Conservatives ran a good campaign, but they could not overcome Ottawa with its type of government. The same thing will happen in Nova Scotia, Newfoundland and wherever there is an election, until this Conservative government changes its ways and starts to listen to the people of Canada.

In any event, the Liberals won 31 of the 32 seats, with large majorities, and with some 58 per cent of the population voting.

Some Hon. Senators: Hear, hear.

MIKHAIL GORBACHEV

AWARDING OF HONORARY DEGREE BY CARLETON UNIVERSITY

Hon. Heath Macquarrie: Honourable senators, naturally, I will follow the nonpartisan route that Senator Bonnell has so carefully blazed for me.

Today, honourable senators, this country and the City of Ottawa have a very important visitor, Mr. Mikhail Gorbachev who, in my long lifetime and after many years of interest in international affairs, still strikes me as the greatest revolutionary — far greater than Lenin — in all the things that matter to mankind. He is a man who showed leadership in breaking down the awful rigidities of the Cold War.

Today, he will receive an honorary degree from Carleton University, where I taught for one year — and I hope I did not destroy their credibility in that year. I congratulate the university for honouring this great man of our times, this great humanitarian, this peacemaker. I congratulate him for coming to see us in Canada, to discuss with our leaders the important issues of the day.

QUESTION OF PRIVILEGE

Hon. Pat Carney: Honourable senators, I rise on a question of privilege which I will briefly explain.

A few days ago, Canadian Press filed a story that I received a payment of \$20,000 for "lost" ministerial papers which Canadian Press said were largely safe and sound. This report is false and malicious.

The ministerial papers in question covered the period when I served as Minister for International Trade, including the negotiations establishing the Canada-U.S. Free Trade Agreement. They were shredded by bureaucrats in the Department of External Affairs after I left that cabinet post.

In his story, Gordon MacIntosh linked the compensation payment paid by the government in 1991 to a 1988 internal report by External Affairs stating that missing originals were culled out of the ministerial papers and returned to departmental files. This 1988 report received wide publicity in the media in January of 1989.

A subsequent hands-on investigation of these departmental files was made by a team involving myself, officials of the Privy Council Office, External Affairs and the National Archives. No ministerial files were located during this search. It was terminated when an External Affairs staffer told the ad hoc investigative team that the ministerial files in question had been, in fact, destroyed.

Subsequently, an *ex gratia* payment of \$20,000 was made to me on the advice of the National Archives Appraisal Board to compensate me for the loss of my personal papers. This payment was announced by my Senate office on October 24, 1991.