

committee to give its reaction to those draft regulations to the government before the regulations are finalized. The minister made it clear yesterday that he finds the input from the Senate Banking Committee very useful in his development, not only of policy, but of regulations as well.

This is a significant step forward for the committee. I wanted to draw the attention of this chamber to the fact that the Banking Committee will now not only be commenting on legislation as it comes through, but will also be commenting on regulations which are in draft form and which will be given to us in sufficient time to allow us to hold public hearings and give our report to this chamber and to the government before the regulations are finalized.

**Hon. John Lynch-Staunton (Deputy Leader of the Government):** Honourable senators, before we dispose of this legislation I think the Banking Trade and Commerce Committee should be commended for the excellent work it did during the pre-study phase of these four bills. The pre-study was actively participated in by both sides and led, as Senator Kirby pointed out yesterday, to a number of suggestions being incorporated as amendments in the final version of the bill.

Lest I be accused of self-congratulation, I would like to quote from the speech made in the House of Commons at third reading on November 27 by the minister responsible for the bills when he said:

In particular, I want to thank the other House for its pre-study of the legislation . . .

All of the pieces of legislation I have mentioned have benefitted from the open, intelligent and co-operative committee forces they have gone through, both in this House and in the other place.

This should be drawn to the attention of all honourable senators, particularly those who have hesitations about pre-study. Should we ask for it again, I am convinced they might have second thoughts.

**Hon. Allan J. MacEachen:** The statement of the Deputy Leader of the Government confirms the worst fears that we held about this unparliamentary practice of pre-study. The minister has confirmed, in the statement which the deputy leader apparently likes very much, that the Senate is a subordinate body to the House of Commons—

**Senator Lynch-Staunton:** I never said that.

**Senator MacEachen:**—and that in order to have success the Senate must feed its work to the House of Commons so that amendments can be made over there.

**Senator Lynch-Staunton:** Should we be a rubber stamp?

**Senator MacEachen:** That is a total violation of the independence of the Senate, which ought to be respected. This cries out once again for an early reform of this institution. I would protest more vigorously against this practice were I not convinced that it is hardly worthwhile in view of the imminent demise of this body, which demise has been accelerated by the statement of the deputy leader this morning.

[Translation]

**Senator Molgat:** Honourable senators, regarding the comments of my colleague, Senator Lynch-Staunton, Deputy Leader of the Government in the Senate, who was reading to us the words of praise spoken by the Minister in the other place. I want to repeat once again to make it clear that if we agreed this morning to speed up the procedure by one day, this is in no way linked to . . .

**Senator Frith:** In fact, it is "in spite of"!

**Senator Molgat:** Precisely. In fact, the speech would almost be enough to make me revoke the leave I granted a little while ago, if it was possible.

This authorization is in no way linked to the preliminary examination of a bill. From a practical point of view, there may be some advantage to this procedure. However, there is no way that it should diminish the role of this Chamber.

Over the years, when that procedure was used, it was always thought that the House of Commons was doing the work when in fact it was done here in the Senate.

We will discuss that a little later, when we consider another bill—I refer in particular to Bill C-18—where we shall insist that proper procedure be followed. When the Senate does its job well and in the proper fashion, the Senate and the Canadian parliamentary system benefit. There are two separate houses. We are not subordinate to the House of Commons.

The only reason I granted leave is because we have Royal Assent today. It has nothing to do with the pre-study.

• (0930)

[English]

**Senator MacEachen:** We got a pat on the back from the minister, and we have to purr over it.

**Senator Lynch-Staunton:** For improving legislation.

**Senator MacEachen:** What obsequiousness!

**Hon. Royce Frith (Leader of the Opposition):** Honourable senators, on this question of pre-study I want it to be very clear for the record that I associate myself, four square, with everything that Senator MacEachen and Senator Molgat have said, including the comments Senator MacEachen just made.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion for the third reading of Bills C-4, C-19, C-28 and C-34?

On motion of Senator Poitras bills read third time and passed.

[Translation]

## GOODS AND SERVICES TAX

### PRESENTATION OF PETITIONS

**Hon. Jacques Hébert:** Honourable senators, I have the honour to present petitions signed by 6,840 residents of the province of Quebec who object to the goods and services tax.

Most of these petitions are from Montreal, Sherbrooke, Waterville, Rouyn-Noranda and Granby.