

It is always difficult to stop people who want to blow up an airplane from checking their baggage and then not boarding the plane.

In view of the criticisms directed at airport security, although I am sure improvements can be made, I do not think it is quite fair to say that Transport Canada has been lax in its security procedures to date.

Honourable senators, as I have said, I have read the material and spoken to many of those concerned, and realize that this is not a controversial bill. As a representative of our side, I should like to state that we support the bill.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I want to make just two comments about this bill. One is to support what Senator Stollery has said about standards of Transport Canada as compared with those in the United States.

I was reading the Sunday *New York Times* yesterday, which did a survey of airport security around the world. They chose various cities, one of which was Ottawa. The comment simply was that the security at all Canadian airports is virtually identical to that of the highest standards in the United States.

The second comment is that when I began my studies at Osgoode Hall Law School in 1946, having graduated from the University of Toronto law school, I was articled to Charles L. Dubin. In those days, we did not have a bar admission course, but we were articled full-time in the sense that we went to law school in the morning and to our law offices in the afternoon. As a result, our principal, that is whoever we were articled to, made quite an impression on us and moulded our legal thinking and our legal careers profoundly.

Senator Doody: So he was the one.

Senator Nurgitz: We have him to blame.

Senator Frith: Yes, but I can assure you that he was otherwise very sound in his choice of students and in their training. C.L. Dubin expanded his well-deserved and respected reputation as a truly brilliant lawyer to include a reputation as an equally brilliant jurist. The report that is the foundation for the legislation before us is just one of his many chef d'oeuvres. Honourable senators can well understand why I am glad to have the opportunity to place this tribute to him on the legislative record.

Motion agreed to and bill read second time.

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

On motion of Senator MacDonald (*Halifax*), bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

● (1610)

SUPPLEMENTARY FISCAL EQUALIZATION PAYMENTS 1982-1987 BILL

SECOND READING

Hon. William M. Kelly moved the second reading of Bill C-39, to provide for the making of supplementary fiscal equalization payments to certain provinces for the period April 1, 1982 to March 31, 1987.

He said: Honourable senators, Bill C-39 is a brief bill with the single, straightforward purpose of making available additional financial assistance to the six provinces which are eligible for equalization payments under the Fiscal Arrangements Act. Honourable senators will recall that under the act as amended in 1982, certain transitional arrangements were put in place extending over three years, ending in 1985, to cushion anticipated hardships in some of the provinces. Largely due to the recession that occurred in 1982-83 and a substantial drop in the inflation rate, payments were not as high, when transition ended, as some provinces had hoped.

The government recognized this situation and, in the interests of fairness and after much consultation with the provinces, decided that payments of the order described in Bill C-39 were appropriate.

Honourable senators, the government has no obligation to make these additional payments except, as I said before, in the interests of fairness. I believe this underscores the Mulroney government's adherence to the theme of co-operative federalism.

Honourable senators, legislation is required because there is no existing legal authority by which additional payments can be made. This bill does not relate to the broader and more fundamental aspects of the equalization program itself. Honourable senators are aware that the 1982 agreement is currently under review. I believe the historical pattern of five-year reviews calls for 1987 as the next update. The specific amount to each province has been arrived at on as fair and equitable a basis as possible. Specifically, the additional payments for three of the provinces which experienced a significant decline in payments—namely, Quebec, Manitoba and Nova Scotia—have been calculated in each case as if each province were eligible for a 95 per cent floor provision.

Honourable senators, let me try to explain briefly my reference to floor provisions. Under the terms of the 1982 Fiscal Arrangements Act, each of the six provinces was protected against a drop in equalization payments, year over year, below a certain specified limit. Quebec and Manitoba were protected beyond a year-over-year drop below 85 per cent; Nova Scotia was protected below 90 per cent, and each of New Brunswick, Newfoundland and Prince Edward Island were protected below 95 per cent. The additional payments to which I just referred treated Quebec, Manitoba and Nova Scotia as though each were eligible for protection below 95 per cent.

In the case of New Brunswick, Newfoundland and Prince Edward Island, the supplementary payments were calculated