

majority." This means that approval would be required both from all band electors and from electors who were band members when Bill C-31 came into effect. The effect of this is that "old" members could veto basic changes regarding band assets. This provision also has a seven-year sunset.

Although the government was convinced that this was a fairer and more appropriate means to protect high impact bands from disruption, spokespersons for such bands felt that the amendment would not help. Therefore, the government decided not to proceed with this 10 per cent solution.

Honourable senators, that completes my comments on second reading.

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

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

On motion of Senator Nurgitz, bill referred to the Standing Senate Committee on Legal and Constitutional Affairs.

#### APPROPRIATION BILL NO. 2, 1985-86

##### SECOND READING—DEBATE ADJOURNED

**Hon. C. William Doody (Acting Leader of the Government)** moved the second reading of Bill C-54, for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1986.

He said: Honourable senators, the bill before us this evening is the Appropriation Bill No. 2, 1985-86, and provides for the release of the balance of the main estimates for 1985-86 amounting to some \$26.7 billion and the whole of supplementary estimates (A) 1985-86 amounting to about \$365 million. The total spending authority requested by this bill is just over \$27 billion.

The main estimates were tabled in the Senate on February 26, 1985, and were referred immediately to the Standing Senate Committee on National Finance. These estimates were discussed in committee with Treasury Board officials on February 26, 1985, and with the President of the Treasury Board and his officials on May 8, 1985.

The supplementary estimates (A) were tabled in the Senate on May 29, 1985, and immediately referred to the Standing Senate Committee on National Finance. Officials of the Treasury Board secretariat discussed the estimates with the committee on May 30, 1985. The committee, on June 11, 1985, presented an interim report to the Senate on these estimates.

As honourable senators are no doubt aware, further meetings are currently being held by the committee to discuss the amendments to the Bretton Woods and Related Agreements Act.

Should honourable senators require additional information, I would be pleased to try to provide it. As I have said, these estimates have already been examined in committee and, therefore, I move second reading of the appropriations bill.

[Senator Nurgitz.]

On motion of Senator Frith, for Senator Stewart (Antigonish-Guysborough), debate adjourned.

#### SPORTS POOL AND LOTO CANADA WINDING-UP BILL

##### SECOND READING—DEBATE ADJOURNED

**Hon. Orville H. Phillips:** moved the second reading of Bill C-2, respecting the winding-up of the Canadian Sports Pool Corporation and Loto Canada Inc.

• (2150)

He said: Honourable senators, Bill C-2 is straightforward, uncontentious and even unpretentious. The bill itself is concise and precise—I hope that my explanation will be the same.

Bill C-2 terminates Loto Canada and the Sports Pool Corporation and confers all rights, property and liabilities on Her Majesty. If any honourable senator feels like suing the corporations because he didn't win, he can now sue Her Majesty instead.

I will provide to honourable senators a brief history of the corporations. Loto Canada was established to assist in paying for the 1976 Olympics. Canadians were optimistic that the Olympics would be a success, which they were in every aspect except the financial. The lottery was extended beyond the Olympics to 1979 in order to attempt to recoup some of the heavy losses accruing from the Olympics.

The provinces, in turn, began to remind the federal government that they surrendered this field on a temporary basis to assist the Olympics, and began asking for the return of that tax field. The Clark government, in negotiating with the provinces, agreed to terminate Loto Canada, in return for which the federal government would receive an indexed annual payment of \$25 million.

The Liberal government was re-elected in 1980 and commenced the Sports Pool, despite objections from the provinces that it was re-entering the lottery field and violating the 1979 agreement.

The Sports Pool was set up to meet the partial costs of the Calgary Olympics in 1988 and to provide for amateur sports and medical research. Interestingly enough, the Medical Research Council neither received nor requested aid from the Sports Pool, possibly because that organization had a better vision of the future than this chamber had. The Sports Pool went on to lose approximately \$1.5 million per week, and the total losses are expected to accumulate to a sum of \$45 million. Recently, the provinces and the federal government have completed a new agreement. The provinces will pay the federal government \$100 million over the next three years. This money will go towards the commitment to the Calgary Olympics. In addition, the provinces will continue the indexed payment agreed upon in 1979, and that will be \$35 million annually.

I am sure that honourable senators will want to know about the commitment made to the Calgary Olympics, wherein the federal government agreed to assist in the construction of